ANNUAL DOUBLE ISSUE

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Broadcasting Jan 7

The newsweekly of broadcasting and allied arts

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MICROPAPER

The Week in Brief

WEATHERING THE STORM ☐ Economist Richard P. Doherty analyzes the anticipated recession and how it can affect radio and television in 1980. **PAGE 27.**

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EFFECT OF BIG ON SMALL ☐ The rash of mergers prompts LaFalce's House subcommittee to schedule hearings on possible harm from media concentration. **PAGE 88.**

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Vol. 98 No. 1

Weakened ABC still reigns in top 100

November sweeps show network ahead in 48 ADI's, but audience losses are counted in 80

ABC-TV, upset by CBS-TV in the national ratings for the November prime-time sweeps (BROADCASTING, Dec. 3, 1979), pulled out a victory after all. An analysis of Arbitron reports for the top 100 markets showed that ABC affiliates in those markets delivered 13,185,000 homes per average minute, 6% more than CBS affiliates' 12,468,000 homes and 21% more than NBC stations' 10,941,000.

The analysis was prepared by ABC researchers but was not challenged by CBS research authorities. Indeed, CBS's own estimates for all continental U.S. markets also gave ABC an edge.

The results seemed to justify ABC leadership's private insistence that, though statistically the odds were against it, loss in the national ratings during the sweep period did not necessarily mean loss on a local basis ("Closed Circuit," Dec. 10, 1979). In the national ratings CBS led by four-tenths of a point, 20.0 to 19.6.

In the top 100 markets, the ABC analysis showed first place was taken by ABC affiliates in 48 markets, by CBS affiliates in 41 and by NBC affiliates in 15. These counts include first-place ties.

In the top 12 markets, according to the ABC report, ABC affiliates were first in 11 and a CBS affiliate in one (Washington); in the top 25, ABC stations were first in 18

Here's how the November sweeps came out in the top 100 markets, as compiled by ABC researchers from Arbitron market reports. The numbers represent prime-time averages in thousands of households (add 000). The plus or minus numbers show percentage of change from November 1978 sweep results. ABC researchers said the household figures are Arbitron's "pure" network averages, covering the hours from 7:30 to 11 p.m. NYT Monday through Saturday and from 6 to 11 p.m. Sunday but excluding all access programs or other local programing presented during those hours. The sweep period was Oct. 31 to Nov. 27, 1979. NC indicates no change from 1978; a dash (--) indicates no primary affiliate in the market.

	ABC	%	CBS	%	NBC	%
	HH	change	HH	change	HH	change
1. New York	**1324**	−6	1211	+13	1030	−2
2. Los Angeles	**783**	−13	554	+10	537	−17
3. Chicago	**588**	−8	522	+11	450	+1
4. Philadelphia	**612**	−1	404	−6	324	−11
5. San Francisco	**343**	−10	277	+8	215	−14
6. Boston	**343**	−4	296	−1	279	−6
7. Detroit	**358**	−5	321	+4	286	−4
8. Washington	244	−16	**247**	+9	192	−10
9. Cleveland	**326**	−7	256	+9	229	+4
10. Dallas	**262**	NC	237	+8	197	+10
11. Pittsburgh	**292**	−10	252	+11	166	−3
12. Houston	**240**	+1	204	+23	199	+12
13. Minneapolis-St. Paul	189	−7	**193**	+19	135	−19
14. St. Louis	182	−8	**199**	+8	156	−6
15. Miami-Ft. Lauderdale	177	−10	**185**	−9	164	+10
16. Atlanta	166	−3	**193**	+16	177	+5
17. Seattle-Tacoma	**187**	−19	134	+12	141	+4
18. Tampa-St. Petersburg, Fla.	139	+9	**199**	+9	152	+3
19. Baltimore	**183**	−14	173	+7	151	+3
20. Hartford-New Haven, Conn.	177	−6	**181**	−7	56	−12
21. Denver	**169**	−12	133	+17	131	+3
22. Indianapolis	**152**	−3	142	+12	125	−10
23. Sacramento-Stockton, Calif.	**154**	−6	117	+10	120	−3
24. Portland, Ore.	**132**	−8	131	+11	103	−3
25. San Diego	**133**	−9	109	+21	75	+1
26. Milwaukee	**135**	−3	131	+17	118	+4
27. Kansas City, Mo.	**137**	−9	**137**	+15	111	−14
28. Cincinnati	136	−6	**139**	+17	109	−4
29. Buffalo, N.Y.	**132**	−4	121	+15	107	+6
30. Nashville	94	−13	**141**	+13	128	+3
31. Phoenix	**113**	−9	106	+16	87	−9
32. Charlotte, N.C.	110	+6	**136**	+13	46	+5
33. Memphis	96	−2	**121**	+7	95	NC
34. New Orleans	116	−2	**138**	+10	94	−4
35. Columbus, Ohio	125	−14	**126**	+5	102	+10
36. Greenville-Spartanburg, S.C. Asheville, N.C.	93	−13	103	+10	**115**	+5
37. Grand Rapids-Kalamazoo-Battle Creek, Mich.	**102**	−12	93	+11	86	NC
38. Providence, R.I.	**116**	−10	79	+13	114	−3
39. Oklahoma City	91	−19	94	+6	**95**	−11
40. Orlando-Daytona Beach, Fla.	**103**	−10	92	+5	87	+1
41. Charleston-Huntington, W.Va.	75	−10	93	+22	**116**	−7
42. Raleigh-Durham, N.C.	**107**	−4	106	+10	30	+25
43. Louisville, Ky.	70	−4	**105**	+15	103	+7
44. Dayton, Ohio	79	−12	**111**	+2	76	−8
45. Harrisburg-York-Lancaster-Lebanon, Pa.	63	−17	76	+3	**91**	−1
46. Norfolk-Hampton-Newport News-Portsmouth, Va.	**96**	+3	**96**	+7	77	+13
47. Salt Lake City	**96**	−9	91	+10	82	−6

	ABC		CBS		NBC	
	HH	% change	HH	% change	HH	% change
48. Albany-Schenectady, Troy, N.Y.	**98**	+1	80	+18	91	−2
49. Birmingham, Ala.	**139**	−1	47	+31	100	+9
50. Wilkes Barre-Scranton, Pa.	**103**	−11	69	+6	86	+6
51. San Antonio, Tex.	**97**	NC	93	+2	74	−1
52. Flint-Saginaw-Bay City, Mich.	**106**	−6	44	+13	97	+10
53. Greensboro-Winston Salem-High Point, N.C.	**96**	−6	91	+18	79	−4
54. Wichita-Hutchinson, Kan.	71	−14	**78**	+15	74	−5
55. Little Rock, Ark.	**101**	+5	77	+18	82	+3
56. Toledo, Ohio	74	−10	**85**	−5	83	+4
57. Tulsa, Okla.	**91**	−9	80	+14	63	+9
58. Shreveport, La.-Texarkana, Tex.	69	−13	**87**	+6	58	−2
59. Knoxville, Tenn.	69	+77	**98**	+16	41	−52
60. Mobile, Ala.- Pensacola, Fla.	66	−12	**89**	+11	56	−14
61. Lynchburg-Roanoke, VA.	39	−22	**75**	+1	60	+18
62. Des Moines, Iowa	64	−4	**79**	+7	60	−5
63. Syracuse, N.Y.	64	−19	**84**	NC	80	+3
64. Richmond, Va.	69	+8	**92**	+18	61	+3
65. Omaha	**89**	−13	72	+3	70	+8
66. Jacksonville, Fla.	44	−8	**85**	NC	62	−3
67. Green Bay, Wis.	**73**	−10	69	+5	72	+4
68. Rochester, NY.	71	−13	**74**	+7	56	−7
69. Fresno, Calif.	**54**	−7	51	+13	47	−6
70. Davenport, Iowa-Rock Island-Moline, Ill.	59	−11	**62**	+13	59	−9
71. Chattanooga	55	−13	55	+15	**68**	+6
72. Springfield-Decatur-Champaign, Ill.	55	+12	**62**	−3	57	−8
73. Spokane, Wash.	**54**	−17	51	+4	51	NC
74. Portland-Poland Springs, Me.	52	−5	46	+12	**58**	+7
75. Albuquerque, N.M.	**78**	+5	51	+21	46	−2
76. Paducah, Ky.-Cape Girardeau, Mo.-Harrisburg, Ill.	37	−10	**72**	+4	66	+10
77. West Palm Beach, Fla.	38	−16	–	–	**53**	+2
78. Johnstown-Altoona, Pa.	7	−61	61	+15	**81**	+4
79. Cedar Rapids-Waterloo, Iowa	**61**	−16	54	+10	**61**	+15
80. Jackson, Miss.	35	−5	48	−8	**58**	+2
81. Youngstown, Ohio	51	−23	**60**	+22	47	−2
82. South Bend-Elkhart, Ind.	51	−6	**55**	+15	53	+10
83. Springfield, Mo.	21	−9	55	+25	**69**	+5
84. Kingsport-Johnson City, Tenn.-Bristol, Va.	24	−27	53	+15	**70**	+19
85. Lincoln-Hastings, Kearny, Neb.	38	−12	**59**	+20	17	+6
86. Springfield, Mass.	**68**	+10	–	–	50	+11
87. Peoria, Ill.	49	−8	47	+31	**50**	+9
88. Evansville, Ind.	**60**	NC	39	+5	38	+6
89. Lexington, Ky.	40	−11	**56**	+19	53	+13
90. Tucson, Ariz.	**44**	−4	36	+6	37	NC
91. Lansing, Mich.	–	–	**68**	+31	41	NC
92. Baton Rouge	**66**	+8	57	+24	28	−12
93. Fargo, N.D.	34	+6	**38**	NC	**38**	−7
94. Fort Wayne, Ind.	41	−16	**42**	+11	35	−8
95. Sioux Falls-Mitchell, S.D.	19	−10	**65**	+18	47	+31
96. Huntsville-Decatur, Florence, Ala.	**50**	NC	49	−4	42	+17
97. Columbia, S.C.	23	−18	21	−16	**67**	+12
98. Burlington, Vt.-Plattsburgh, N.Y.	18	−5	**52**	+6	28	NC
99. Austin, Tex.	42	+5	**48**	+2	29	+12
100. Waco-Temple, Tex.	**53**	+6	–	–	35	NC

Broadcasting Business Index

The Top 100

COMPANIES IN ELECTRONIC COMMUNICATIONS

Acton **72** Adams-Russell **96** Affiliated Publications **63** American Broadcasting Companies **18** American Express **8** American Family **48** Ampex **43** Arvin Industries **39** BBDO International **70** John Blair **62** Burnup & Sims **67** Capital Cities Communications **45** CBS **10** Cetec **86** Charter **11** Chris-Craft Industries **78** Cohu **98** Columbia Pictures Industries **37** Comcast **99** Communications Satellite **57** Conrac **71** Cox Broadcasting **55** Walt Disney Productions **31** Doyle Dane Bernbach **79** Dun & Bradstreet **27** Eastman Kodak **2** Fairchild **34** Farinon **81** Filmways **66** Foote, Cone & Belding **75** Fuqua Industries **17** Gannett **25** General Electric **1** General Instrument **35** General Tire & Rubber **15** Gray Communications **97** Grey Advertising **82** Gulf & Western Industries **6** Gulf United **42** Harris **24** Harte-Hanks Communications **59** Interpublic Group of Companies **49** Jefferson Pilot **30** Marvin Josephson & Associates **92** Kansas State Network **100** Knight-Ridder Newspapers **26** Lee Enterprises **76** Liberty **54** LIN Broadcasting **87** M/A-Com **74** MCA **22** McGraw-Hill **28** MCI Communications **77** Media General **53** Meredith **50** Metro-Goldwyn-Mayer **41** Metromedia **44** Motorola **13** Movielab **95** Multimedia **73** New York Times **38** A. C. Nielsen **46** North American Philips **14** Oak Industries **56** Ogilvy & Mather **60** Outlet **51** Post Corp. **85** RCA **3** Rockwell International **5** Rollins **47** San Juan Racing Association **89** Schering-Plough **21** Scientific-Atlanta **68** Scripps-Howard **84** Sonderling Broadcasting **90** Sony **12** Storer Broadcasting **64** Taft Broadcasting **61** Technical Operations **69** Tektronix **29** Tele-Communications **83** Teleprompter **65** J. Walter Thompson **58** 3M **7** Time **16** Times-Mirror **20** Transamerica **9** Turner Broadcasting **93** 20th Century-Fox **36** UA-Columbia Cablevision **91** United Cable Television **94** Varian Associates **40** Viacom International **80** Warner Communications **19** Washington Post **32** Western Union **33** Westinghouse Electric **4** Wometco Enterprises **52** Wrather **88** Zenith **23**

Earnings jump nearly 35% for top 100 companies

Despite inflation, soaring costs and the shadow of a recession, the 100 largest publicly owned companies in broadcasting and related fields came out of the 1970's on a positive and upbeat note.

BROADCASTING's survey and analysis found that for the four quarters that generally ended Sept. 30, 1979, combined revenues from communications and non-communications interests of that top 100 amounted to $121,750,948,000—18% more than the total for the preceding four quarters (through the third quarter of 1978).

The 34.8% gain in net earnings was even more impressive. The top 100 reported $8,305,230,299 for the four quarters that ran through the third quarter of 1979. In the preceding four quarters, total profits were $6,161,115,642.

The report and ranking of the principal public companies with electronics communications interests was first done 18 months ago (BROADCASTING, June 26, 1978). The basic universe is drawn from BROADCASTING's "Stock Index" (see page 127) which reports weekly on the market activity of 131 companies that have identifiable interests in broadcasting and allied fields.

However, it should be noted that the top 100 do not include a number of sizable communications firms that are privately held and do not necessarily divulge their financial conditions. Excluded therefore are such companies as Amway Corp., The Tribune Co., Oklahoma Publishing Co. (Gaylord Broadcasting), Park Communications and Ziff-Davis.

As it did in the previous survey, General Electric again leads the rankings with more than $21.7 billion in gross revenues and nearly $1.39 billion in net earnings during the more recent surveyed four quarters.

Though a proportionately small percent of GE's revenues and profits are attributable to its broadcasting, cable and manufacturing divisions, broadcasting is slated to become a larger part of the balance sheet. That should come with the completion of GE's projected acquisition of Cox Broadcasting (see page 54).

American Express Co. became a member of the top 100 as 1979 came to a close. Warner Amex Communications Inc. was officially born with the completion of American Express's 50% purchase of Warner Communications' cable-television subsidiary for $175 million (see page 38).

American Express thus becomes the number-eight company on the top 100.

Also new and near the top of the list is the Charter Co., a holding company with principal interests in the petroleum industry, but operating in the insurance and communications fields (its Chartcom Inc. subsidiary includes Charter Broadcasting Co.'s five radio stations). Charter's non-broadcast interests, particularly its 1979 acquisition of Carey Energy Corp., were responsible for its becoming number 11 in the top 100 (see page 43).

Others new to the list are Gulf United Corp. (41st), American Family Corp. (48th), Affiliated Publications (63d), United Television Cable Corp. (93d) and Gray Communications (96th).

The biggest departure from the top-100 ranking is scheduled to be Fuqua Industries Inc., which last fall announced its intention to sell off its television and radio

Rank	Company	Gross Revenues: Four quarters through third quarter of 1979	Gross Revenues: Four quarters through third quarter of 1978	% change
1.	General Electric Co.	$21,732,700,000	$18,970,000,000	+14.5
2.	Eastman Kodak Co.	7,758,562,000	6,576,248,000	+17.9
3.	RCA Corp.	7,323,100,000	6,408,300,000	+14.2
4.	Westinghouse Electric Corp.	7,074,200,000	6,543,464,000	+8.1
5.	Rockwell International Corp.	6,254,600,000	5,384,600,000	+16.2
6.	Gulf + Western Industries Inc.	5,288,247,000	4,311,956,000	+22.6
7.	3M Co.	5,261,745,000	4,481,282,000	+17.4
8.	American Express	4,515,930,000	3,921,578,000	+15.1
9.	Transamerica Corp.	3,888,296,000	3,436,146,000	+13.1
10.	CBS Inc.	3,607,356,000	3,150,163,000	+14.5
11.	The Charter Co.	3,541,067,000	1,858,004,000	+90.6
12.	Sony Corp.	2,690,000,000	2,240,000,000	+20.0
13.	Motorola Inc.	2,585,579,000	2,109,451,000	+22.6
14.	North American Philips Co.	2,355,858,000	2,107,663,000	+11.7
15.	General Tire & Rubber Co.	2,331,101,000	2,153,947,000	+8.2
16.	Time Inc.	2,329,075,000	1,523,100,000	+52.9
17.	Fuqua Industries	1,990,404,000	1,379,354,000	+44.3
18.	American Broadcasting Companies Inc.	1,946,038,000	1,740,159,000	+11.8
19.	Warner Communications Inc.	1,643,910,000	1,302,326,000	+26.2
20.	Times-Mirror Co.	1,566,266,000	1,378,210,000	+13.6
21.	Schering-Plough Corp.	1,370,976,000	1,067,668,000	+28.4
22.	MCA Inc.	1,211,179,000	854,735,000	+41.7
23.	Zenith Radio Corp.	1,030,600,000	967,000,000	+ 6.5
24.	Harris Corp.	1,012,563,000	904,232,000	+12.0
25.	Gannett Co. Inc.	972,601,000	755,526,000	+28.7

properties. Fuqua said it was dissatisfied with the return on the capital investment on that division (see page 50).

Of those companies listed in the broadcasting category of the "Stock Index," CBS (10th) and ABC (18th) are dominant.

Cablecasting's star continued to glow even brighter in 1979.

Nine of the companies carried in the cablecasting category of the "Stock Index" and represented in the top 100 had total gross revenues of $3.5 billion in the four quarters that ended in the third quarter of 1979. That was 40.3% more than in the preceding four quarters when revenues were $2.5 billion.

Net earnings for those nine companies were $260.2 million in the more recent four quarters, up 53.1% from the preceding four quarters' profit of $175.7 million.

Following, in alphabetical order, are capsule summaries of who the top 100 are, what they do and how well. In the chart below and on subsequent pages, revenues and earnings listed do not necessary represent the individual company's fiscal year. Rather, they show performance for four quarters through the third quarter of 1979, with comparison to the preceding four quarters.

72

Acton Corp. □ *Samuel J. Philips, president and chairman.*

Revenues for 1979 were $128,887,000 for the Acton Corp.; an increase of 23% over the year before. This improvement is the result of new acquisitions in both food and communications divisions, as noted in the quarterly report. Although revenues were up for the year, the net earnings, at $5,287,000 showed a slight decrease (3%). The sale of CATV systems in both '78 and '79, with over 40,000 subscribers in all, accounts for most of the loss.

Acton Corp. has two major areas of concentration (1) communications and (2) the snack food industry. Within the former division, cable television and telephone interconnect are the significant operations. Acton now owns an 80% or greater interest in 31 joint CATV ventures with 16,000 subscribers. Acton also manages nine systems in four states in which negotiations are continuing for similar joint venture agreements. Most recently, ownership agreements have been completed covering 42 undeveloped cable television systems in eight states. Another acquisition for the communications division is WQQW(AM) Waterbury, Conn., which was purchased during the second quarter of 1979.

96

Adams-Russell Co. □ *Gerald J. Adams, president.*

Adams-Russell Co. makes high technology microwave and digital products and operates CATV systems in the northeast and central U.S., and a television station in Youngstown, Ohio. In the last fiscal year, the company saw a 17% jump in revenues, to $28,387,000, and a 66% rise in net earnings, to $1,907,000. During the same period, earnings per share rose to $1.07, after a 40% stock distribution in October.

During the year, the company's high-technology electronic products group and its cable group both contributed to the increase in sales, with electronic products accounting for $18,814,500 and telecommunications $9,572,500. Television revenue moved upwards, and the addition of pay cable in its Massachusetts systems also put some pluses on the balance sheet. The telecommunications group also has cable systems in New York, Maine, Arkansas and Missouri, with just one system (in Missouri) without the pay cable option.

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Affiliated Publications Inc. □ *William Davis Taylor, chairman; John I. Taylor, president.*

Boston-based API has been strengthening its hand in broadcasting. Formed in 1973, the company had been best known as the publisher of the *Boston Globe* and *Boston Sunday Globe*. However, early last year the company's executive vice president, William O. Taylor, announced an API plan to expand in radio.

To its original complement of WFAS(AM)-WWYD(FM) White Plains, N.Y., and WSAI-AM-FM Cincinnati, it has since added KRAK-AM-FM Sacramento, Calif.; KMPS-AM-FM Seattle, and subject to FCC approval, WHYN-AM-FM Springfield, Mass.

API, which also has newspaper distributing companies and a market research firm, last month said it had agreed to sell its other newspaper, the *North Adam* (Mass.) *Transcript* (BROADCASTING, Dec. 17, 1979).

API revenues for the four quarters prior to Sept. 30, 1979, were $180.4 million, 19% more than in the preceding four quarters. Earnings in those four quarters were $10.4 million, 30% better than in the comparable preceding period.

18

American Broadcasting Companies □ *Leonard H. Goldenson, chairman and chief executive; Elton H. Rule, president and chief operating officer.*

ABC, its balance sheet buoyed by ABC-TV's rise to leadership in prime-time ratings and to leadership or strong contention in other dayparts, has been getting rid of unprofitable—or marginally profitable—nonbroadcast operations and expanding in the publishing field. The net result is that broadcasting has become even more dominant, accounting in 1978 for 87% of its all-time-high revenues and enough operating profits to take up the slack from losing operations and still reach a new ABC high.

ABC's net earnings climbed 27.98% on an 11.83% rise in revenues in the 12 months ended Sept. 30, 1979. Earnings were $159,870,000, revenues $1,946,038,000. Earnings per share were $5.71.

Among the properties disposed of were ABC's theater interests, sold in late 1978 for $50 million; ABC Record and Tape Sales Corp., whose 1978 disposition was at a low estimated at $13 million before taxes; Historic Smithville Inns Inc., sold in May 1979 for $15 million and the assumption of notes, representing a pre-tax gain of about $2.8 million, and ABC Records, sold in January 1979 at a price reported to be under $50 million but representing no material gain or loss for ABC. The recorded music business had been the biggest drain, accounting for almost $33 million in losses in 1978. ABC also sold KXYZ(AM) Houston for $1.8 million in early 1979, saying it planned to acquire an AM station in another market.

On the acquisition side, ABC bought the Chilton Co., Radnor, Pa., publisher of specialty

Net earnings

Four quarters through third quarter of 1979	*Four quarters through third quarter of 1978*	*% change*	*Earnings per share*	*Fiscal year ends*
$1,389,900,000	$1,198,500,000	+15.9	**$6.11**	Dec
1,037,461,000	796,960,000	+30.1	**6.43**	Dec
288,900,000	268,700,000	+7.5	**3.79**	Dec
118,100,000	229,438,000	−48.5	**1.36**	Dec
261,100,000	176,600,000	+47.8	**7.33**	Sept
227,438,000	180,516,000	+25.9	**4.62**	Jul
635,225,000	524,693,000	+27.0	**5.42**	Dec
342,529,000	303,550,000	+72.8	**4.80**	Sept
231,456,000	203,205,000	+13.9	**3.52**	Dec
193,196,000	191,966,000	+0.6	**6.96**	Dec
228,682,000	20,444,000	+1018.6	**9.81**	Dec
74,100,000	108,300,000	−31.5	**.34**	Oct
151,514,000	122,045,000	+24.1	**4.78**	Dec
80,211,000	65,336,000	+22.7	**6.17**	Dec
96,163,000	112,611,000	−14.7	**4.13**	Nov
137,887,000	119,643,000	+15.2	**5.12**	Dec
55,531,000	25,252,000	+119.9	**4.24**	Dec
159,870,000	124,914,000	+27.9	**5.71**	Dec
102,879,000	79,431,000	+29.5	**5.16**	Dec
157,159,000	120,055,000	+30.9	**4.62**	Dec
216,571,000	188,361,000	+14.9	**4.03**	Dec
167,274,000	108,544,000	+54.1	**7.17**	Dec
21,100,000	18,400,000	+15.6	**.98**	Dec
65,769,000	54,397,000	+20.9	**2.52**	Jun
127,777,000	99,387,000	+28.6	**3.82**	Dec

magazines and books, in early 1979 for approximately $51 million. At about the same time, it acquired the R.L. White Co., Louisville, Ky., a real estate communications company, for $8 million. In mid-1978, ABC had bought Miller Publishing Co. (agriculture and farm publications) and Hitchcock Publishing Co. (controlled circulation trade publications) for $16,784,000. The newly acquired firms joined an ABC publishing division that already included *Prairie Farmer, Indiana Prairie Farmer, Wisconsin Agriculturist, Wallaces Farmer, High Fidelity, Modern Photography, Los Angeles,* various reference and legal information services and Word Inc. Publishing accounted for almost 5% of ABC's 1978 revenues and almost $11.2 million in pre-tax profits (as against $310,858,000 in broadcasting pre-tax profits).

One acquisition that didn't come off was ABC's proposed purchase of Macmillan Inc. ABC and MacMillan announced in October 1979 that they had signed an agreement in principle for ABC to acquire the publisher in a stock deal valued at $337.5 million. A few weeks later, without explanation, ABC announced it had "discontinued discussions" on the matter.

ABC's broadcasting properties are the ABC-TV network; ABC Radio's four network services (Contemporary, Entertainment, FM and Information), and WABC-AM-TV and WPLJ(FM) New York; WLS-AM-TV and WDAI(FM) Chicago; WXYZ-AM-TV and WRIF(FM) Detroit; KAUM(FM) Houston; KABC-AM-TV and KLOS(FM) Los Angeles; KGO-AM-TV and KSFX(FM) San Francisco and WMAL(AM)-WRQX(FM) Washington.

The ABC Leisure Attractions division owns and operates three outdoor recreational facilities in Florida—Weeki Wachee Spring, Silver Spring and Wild Waters—and the ABC Entertainment Center in Los Angeles. The division in 1978 reported a $1.6-million loss, attributable to the now-disposed-of Historic Smithville Inns unit. In 1979 ABC set up a new unit, ABC Video Enterprises, to supply programs to the videocassette, cable and other new markets.

8

American Express Co. □ *James D. Robinson III, chairman; Alva O. Way, vice chairman.*

American Express Co., purveyor of travel cards and traveler's checks, previously had its closest connection to television in its "Do you know me?" commercials. However, the financial services concern has determined to enter cable television in a big way, through the $175 million cash and short-term note acquisition of a 50% interest in Warner Cable. The deal creating the joint venture, to be known as Warner/Amex Cable, is scheduled to close by the end of the year. Warner/Amex Cable will be co-chaired by Gustave M. Hauser, currently chairman, president and chief executive officer of Warner Cable Corp., and J. Leonard Reinsch, the cable communications consultant for American Express.

For the one year period ending September 1979, American Express reported revenues of $4,515,930,000, a 15.1% rise over the prior year. Earnings posted 12.8% growth, to $342,529,000, with the per share figure up 13.2% at $4.80.

The company's current operations are divided into three principal fields: travel-related services, which include the American Express Card, Travelers Cheques and American Express Travel Service; the American Express International Banking Corp.; and Fireman's Fund Insurance Companies. As of Sept. 30, the company's assets were $16.8 billion.

The Warner deal isn't the first attempt by American Express to bring communications operations under its corporate umbrella. Earlier this year McGraw-Hill, the publisher-broadcaster, fought off a tender offer by American Express that carried a price of $40 a share, almost $1 billion. McGraw-Hill's directors termed that proposal "not in the best interests" of the company or its shareholders.

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American Family Corp. □ *John B. Amos, chairman and chief executive officer.*

American Family Corp. is the holding company for American Family Life Assurance Co. of Columbus, Ga., whose main business is cancer insurance. Although the insurance business was founded in 1955, the parent company has only been involved in broadcasting since 1977, when it purchased WYEA-TV Columbus. Over the last two years, Family has purchased WAFF(TV) Huntsville, Ala., KFVS-TV Cape Girardeau, Mo., and WTOC-TV Savannah, Ga. Family has also agreed to acquire Black Hawk Broadcasting Co. of Waterloo, Iowa. The deal, expected to be

Rank	Company	Gross Revenues: Four quarters through third quarter of 1979	Four quarters through third quarter of 1978	% change
26.	Knight-Ridder Newspapers	$955,611,000	$846,432,000	+12.9
27.	Dun & Bradstreet Corp.	896,564,000	728,567,000	+23.1
28.	McGraw-Hill Inc.	836,573,000	731,633,000	+14.3
29.	Tektronix Inc.	835,554,000	637,324,000	+31.1
30.	Jefferson Pilot Corp.	808,738,000	726,024,000	+11.4
31.	Walt Disney Productions	794,965,000	704,581,000	+12.8
32.	Washington Post Co.	696,029,000	497,712,000	+39.8
33.	Western Union Corp.	694,729,000	608,769,000	+14.1
34.	Fairchild Industries	686,817,000	497,622,000	+38.0
35.	General Instrument Corp.	667,070,347	521,839,000	+27.8
36.	20th Century-Fox Film Corp.	653,013,000	614,258,000	+6.3
37.	Columbia Pictures Industries Inc.	611,964,000	591,861,000	+3.4
38.	New York Times Co.	584,676,000	518,748,000	+12.7
39.	Arvin Industries	497,539,000	466,257,000	+ 6.7
40.	Varian Associates	493,021,000	394,255,000	+25.1
41.	Metro-Goldwyn-Mayer Inc.	491,270,000	401,406,000	+22.4
42.	Gulf United Corp.	476,719,000	386,986,000	+23.1
43.	Ampex Corp.	411,778,000	344,857,000	+19.4
44.	Metromedia Inc.	405,774,000	332,241,000	+22.1
45.	Capital Cities Communications Inc.	401,292,000	353,190,000	+13.6
46.	A.C. Nielsen Co.	398,106,000	323,831,000	+22.9
47.	Rollins Inc.	356,571,528	307,203,396	+16.1
48.	American Family Corp.	354,652,049	273,062,125	+29.8
49.	Interpublic Group of Companies	352,933,000	295,506,000	+19.7
50.	Meredith Corp.	323,773,000	298,482,000	+ 8.4

completed in mid-to-late 1980, will add two television stations to Family's list: KWWL-TV Waterloo and KTIV(TV) Sioux City, Iowa. It will also acquire six cable television franchises under construction in the Dallas-Fort Worth area, an industrial catering firm, an outdoor advertising firm and an advertising agency-production firm, all located in the Waterloo area. The Black Hawk acquisition, if completed, will more than double the assets of the broadcasting division.

Last year, American Family Corp.'s revenues were up 29.8% from the year before, from $273,062,125 to $354,652,049. Its earnings were up 17.2%, from $24,083,714 to $28,226,276. Earnings per share for last year were $2.43.

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Ampex Corp. □ *Richard J. Elkus, chairman of the board; Arthur H. Hausman, president and chief executive officer.*

Ampex's principal profit center is its audio-visual products division, which is a leading supplier of broadcast recording systems and contributes approximately 35% of the corporation's total revenues and 54% of profits. In the four quarters ending Oct. 27, the corporation had revenues totaling just under $412 million and profits in excess of $32 million.

Other operations include data and memory products (37% of revenues and 33% of profits) and a magnetic tape division (27% and 13%, respectively).

In the past year, Ampex delivered its 1,000th VPR-2 helical scan video recorder, which the company describes as "the most successful" product it has ever introduced. Also in the past year, Ampex was named official supplier of videotape recorders, slow motion disk recorders and audio and video tape for the 1980 summer Olympics in Moscow—generating approximately $15 million in orders for the company. Ampex will also provide equipment for the 1980 winter games at Lake Placid, N.Y.

The company has introduced little in the way of new broadcast equipment in the past year, but it has demonstrated a prototype digital videotape recorder that will be introduced as part of Ampex's equipment line sometime in the coming decade.

The corporation has moved into the new data and memory fields and introduced a wide array of products for that market—including a new line of microdisk computer systems and disk drive systems.

In anticipation of a major increase in the market for magnetic recording tape—due primarily to the emergence of new home video tape players—Ampex completed a $5-million expansion of its tape manufacturing facility at Opelika, Ala., last year.

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Arvin Industries Inc. □ *Eugene I. Anderson, chairman, president and chief executive.*

Arvin Industries is a diversified corporation engaged in the manufacture and sale of a broad range of products and services aimed at four major markets: automotive, appliance and hardware, government, utilities and the broadcasting industry, and the commercial and industrial market. With regard to this fourth market, the Arvin/Echo division designs and produces video, digital and analog recording systems. The development of more sophisticated transient-free recorders, longitudinal data recorders, broadcast color frame storage units and a slow-motion video disk recorder contributed to rising sales within this division in the past two years. Although 1979 revenues were up 6.7% to $497,539,000 from 1978, net earnings were off 6.53%, $19,675,000, due to the over-all decline and difficulties that have beset the auto industry this year.

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BBDO International □ *Bruce Crawford, president and chief executive officer; Tom Dillon, chairman.*

BBDO's revenues for the year ending September 1979 were up 19.4% to $135,518,000 with earnings up 2.5% to $10,968,000.

The agency suffered a sharp setback in March 1979 when it lost the Dodge account, billing about $60 million, which it had served for 35 years. It recouped this loss in part by acquiring during the year RJR Tobacco, portions of General Electric Co. and Old Milwaukee Beer from Schlitz.

BBDO International has 11 U.S. and 11 foreign subsidiaries; affiliates in 12 countries and independently owned associate agencies in six other countries. The agency employs more than 2,500 people here and abroad.

BBDO was the fourth-ranking broadcast agency in 1978 with an estimated $328 million in billings. Among its more active TV-radio accounts are Armstrong Cork, Black & Decker, Block Drug, Campbell Soup, Du Pont, General Electric, Gillette, Lever Bros., Pepsi Co., Pillsbury, Quaker Oats, RJR Foods, Schlitz and Scott Paper.

62

John Blair & Co. □ *Jack W. Fritz, president and chief executive officer.*

John Blair & Co. revenues for the year were up 12.9%, to $187,716,000 from $166,261,000 the previous year. Profits outpaced revenues slightly, rising 13.4% to $20,559,000 from $18,123,000. Earnings per share for the year were $3.67.

Blair began its corporate existence as a broadcast representative firm, and today remains one of the largest in the field. Blair is also increasing its involvement in radio and television station ownership and operation. It has owned for years WHDH(AM)-WCOZ(FM) Boston and in the past year has received FCC approval of its purchases of VHF's KSBW-TV Salinas-Monterey, Calif., KSBY-TV San Luis Obispo, Calif., and UHF KOKH-TV Oklahoma City. Blair's chief revenue source, however, remains its graphics operation.

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Burnup & Sims Inc. □ *Riley V. Sims chairman; Nick A. Caporella, president and chief executive officer.*

Burnup & Sims derives a majority of its revenues from the installation of cable and telephone systems, but also benefits from such diverse businesses as printing, soft-drink bottling and the operation of movie theaters.

For the four quarters ending in October 1979, the company, based in Fort Lauderdale, Fla., generated revenues of $147,213,000, an increase of 21.6% over 1978's $121,006,000. Earnings were up too: from a net loss of $3,856,000 in 1978 to a net gain of $5,314,000 in 1979. The loss in 1978 was due to the write-off of the discontinued water and sewage engineering operations in the quarter ended April 1978. Since then Burnup & Sims has reported earnings gains in every quarter.

Burnup & Sims greatly expanded its ability to serve the cable industry with the acquisition in December of Gardiner Communications Corp.,

Net earnings

Four quarters through third quarter of 1979	*Four quarters through third quarter of 1978*	*% change*	*Earnings per share*	*Fiscal year ends*
$86,923,000	$73,171,000	+18.8	$2.64	Dec
84,450,000	67,035,000	+26.0	3.03	Dec
74,008,000	60,516,000	+22.3	2.99	Dec
81,475,000	59,052,000	+38.0	4.51	May
94,292,000	86,844,000	+ 8.5	4.17	Dec
111,321,000	92,893,000	+19.8	3.44	Sept
47,961,000	46,766,000	+2.6	3.01	Dec
10,217,000	56,688,000	−81.9	.06	Dec
24,384,000	20,785,000	+17.3	6.35	Dec
43,310,411	28,890,000	+49.9	5.36	Feb
53,523,000	62,440,000	−14.3	6.44	Dec
36,760,000	69,084,000	−46.8	3.77	Jun
27,264,000	21,002,000	+29.8	2.30	Dec
19,675,000	21,049,000	−6.5	3.07	Dec
8,581,000	12,112,000	−29.2	1.13	Sept
61,601,000	49,341,000	+24.8	2.02	Aug
50,902,000	46,976,000	+8.3	2.30	Dec
32,194,000	22,645,000	+42.2	2.42	Apr
38,485,000	33,419,000	+15.2	8.36	Dec
59,955,000	55,722,000	+7.6	4.35	Dec
26,131,000	24,297,000	+ 7.5	2.38	Aug
30,576,451	27,554,075	+10.9	2.28	Jun
28,226,276	24,082,714	+17.2	2.43	Dec
21,189,000	17,145,000	+23.0	5.12	Dec
17,277,000	14,762,000	+17.0	5.57	Jun

Houston, pioneer marketer of satellite earth stations for the cable industry (BROADCASTING, Dec. 17).

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Capital Cities Communications Inc. □ *Thomas S. Murphy, chairman; Daniel B. Burke, president.*

After several years of sometimes spectacular expansion, Capital Cities slowed its acquisitions pace about 18 months ago, though officials say they still hope for periodic acquisitions. Its last major purchase was the *Wilkes-Barre* (Pa.) *Times Leader*, bought in May 1978 for $10.6 million. Since then, Capcities' chief acquisitions have been its own stock, on its stated theory that when asking prices for properties are very high, and its own stock's price/earnings multiples are low, this is the best place for excess cash. The company bought 610,000 shares in the second half of 1978 and 468,000 shares in the second and third quarters of 1979. It completed that repurchase program in October with the acquisition of 593,000 shares at a total price of $24.7 million. A few weeks ago it announced plans to purchase about 600,000 shares from time to time at prevailing market prices; at the time of the announcement the shares had a market value of about $28 million. The company then had 13,054,263 shares outstanding.

Capital Cities' revenues climbed 13.62% in the 12 months ended Sept. 30, 1979, reaching $401,292,000. Net earnings rose 7.6% to $59,955,000. Earnings per share were $4.35.

Revenues and sales continue to set company records despite a strike that left the Wilkes-Barre paper with after-tax operating losses of $1.8 million in the fourth quarter of 1978, $1.2 million in the first quarter of 1979, $800,000 in the second quarter and "slightly" less than that in the third quarter.

Though Capcities started out as a group broadcaster and has greatly expanded its station interests, almost two-thirds of its revenues now come from publishing; in 1978, the breakdown was 64% to 36%. But broadcasting still generates the bulk of the profits; the 1978 division was 59% to 41%.

Capcities television stations are WPVI-TV Philadelphia; KTRK-TV Houston; WKBW-TV Buffalo, N.Y.; WTNH-TV New Haven, Conn.; WTVD(TV) Durham, N.C., and KFSN-TV Fresno, Calif. In addition to the stations, the broadcasting operations include Capital Cities Television Productions, which produces public-affairs and young people's programing seen on Capcities and other stations across the country. The radio stations are WPAT-AM-FM Paterson, N.J.; KZLA-AM-FM Los Angeles; WJR-AM-FM Detroit; WBAP(AM)-KSCS(FM) Fort Worth; WKBW(AM) Buffalo, N.Y.; WPRO-AM-FM Providence, R.I., and WROW-AM-FM Albany, N.Y.

Publishing properties include Fairchild Publications (which publishes *Women's Wear Daily, W, Supermarket News, Electronics News, HFD-Retailing Home Furnishings*, and *Men's Wear*, among others) and *Kansas City Star-Times, Fort Worth Star-Telegram, Oakland Press* in Pontiac, Mich., *News-Democrat* in Belleville, Ill., and *Arlington* (Tex.) *Citizen-Journal*, in addition to the *Wilkes-Barre Times-Leader*.

10

CBS Inc. □ *William S. Paley, chairman; John D. Backe, president and chief executive.*

CBS has displayed a bent for acquisitions in recent years, but in 1979 one that might have reoriented its balance sheet didn't come off. In September 1979, CBS initiated talks on a possible merger with the Crum & Forster insurance holding company, a deal that would perhaps cost $1 billion. A merger, Wall Street analysts estimated, would have made Crum & Forster a major second, if not the principal, profit center of the company, whose primary orientation has always been toward broadcasting. The talks were terminated, but CBS officials let it be known that the company is set to branch out into other fields, with "four or five" unidentified industries under consideration.

Acquisitions that did come off included the purchase of Gabriel Toys in August 1978 for $27 million and *Audio* magazine in November 1979 for $7.6 million. In December 1979 CBS and Family Weekly Inc. signed a definitive agreement by which CBS would acquire the *Family Weekly* newspaper supplement, said to be the fourth largest paid-circulation publication in the U.S., for approximately $50 million.

CBS revenues for the 12 months ended Sept. 30, 1979, totaled $3,607,356,000, up 14.51% from the same period a year earlier. Net earn-

Rank	Company	Gross Revenues: Four quarters through third quarter of 1979	Four quarters through third quarter of 1978	% change
51.	The Outlet Co.	$312,203,000	$307,040,000	+1.7
52.	Wometco Enterprises Inc.	297,874,000	261,706,000	+13.8
53.	Media General Inc.	269,644,000	238,652,000	+13.0
54.	Liberty Corp.	266,781,000	248,269,000	+7.5
55.	Cox Broadcasting Corp.	260,696,000	213,988,000	+21.8
56.	Oak Industries	257,175,000	174,078,000	+47.0
57.	Communications Satellite Corp.	251,562,000	194,000,000	+29.7
58.	J. Walter Thompson Co.	242,597,000	215,784,000	+12.4
59.	Harte-Hanks Communications Inc.	227,631,000	170,720,000	+33.3
60.	Ogilvy & Mather International Inc.	207,867,000	173,834,000	+19.6
61.	Taft Broadcasting Co.	194,866,000	157,730,000	+23.5
62.	John Blair & Co.	187,716,000	166,261,000	+12.9
63.	Affiliated Publications	180,360,000	150,641,000	+19.7
64.	Storer Broadcasting Co.	170,797,000	141,118,000	+21.0
65.	Teleprompter	165,686,000	143,092,000	+15.8
66.	Filmways Inc.	156,046,000	148,520,000	+5.1
67.	Burnup & Sims Inc.	147,213,000	121,006,000	+21.6
68.	Scientific-Atlanta Inc.	142,876,000	99,437,000	+43.7
69.	Technical Operations	136,508,000	92,017,000	+48.3
70.	BBDO International Inc.	135,518,000	113,887,000	+19.4
71.	Conrac Corp.	131,501,000	115,054,000	+14.0
72.	Acton Corp.	128,887,000	104,925,000	+22.8
73.	Multimedia Inc.	126,809,636	105,785,938	+19.9
74.	M/A Com Inc.	123,981,000	99,317,000	+24.8
75.	Foote, Cone & Belding Communications Inc.	122,107,000	97,726,000	+24.7

ings came to $193,196,000, a gain of 0.64%. Earnings per share for the period were $6.96.

Broadcasting, for which CBS was formed 52 years ago, continues to be its biggest business. In 1978 it accounted for 40% of the company's revenues and 56% of its operating profits. Next came the CBS/Records Group, with 29% of revenues and 23% of profits. Publishing was in fourth place as a generator of revenues (13% vs. the CBS/Columbia Group's 18%) but in third place in operating profits (10% vs. the Columbia Group's 8%).

The CBS/Broadcast Group encompasses the CBS-TV network; CBS Entertainment, which provides programing for CBS-TV; CBS News; CBS Sports; the CBS Television Stations division and the CBS Radio division, which operates the CBS Radio network plus owned-and-operated AM and FM stations.

CBS's five TV stations are all in major markets: WCBS-TV New York, KNXT(TV) Los Angeles, WBBM-TV Chicago, WCAU-TV Philadelphia and KMOX-TV St. Louis. The stations are represented for national-spot sales by another CBS unit, CBS Television Stations National Sales. The CBS Radio stations—seven AM and seven FM, also in major markets—are AM-FM affiliates of the TV stations, plus KCBS-AM-FM San Francisco and WEEI-AM-FM Boston. The radio stations are represented by CBS Radio Spot Sales, which also represents some independently owned radio stations.

The CBS/Records Group claims to be the world's largest producer, manufacturer and marketer of recorded music. The CBS/Columbia Group encompasses the Columbia Record and Tape Club, which claims to be the world's largest mail-order distributor of recorded music and musical instruments, specialty stores and toys. The CBS/Publishing Group includes Holt, Rinehart & Winston, BFA Educational Media, the W.B. Saunders medical publishing organization and Fawcett Publications.

CBS also maintains a Technology Center, which conducts research related primarily to CBS businesses. CBS engineers have also been among the leaders in the U.S. in development of Teletext. The CBS/Records Group also announced in October 1979 that it would form a new ventures division to develop and market products—principally programing—for use on home videotape machines and with other emerging technologies.

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Cetec Corp. □ *Hugh P. Moore, chairman and chief executive; Robert A. Nelson, president and chief operating officer.*

Cetec Corp. consists of three principal operating divisions—broadcast, computer and industrial. Cetec manufactures microphones, radio and television antennas, radio automation systems, data terminal systems, extruded vinyl products and other electronic devices.

A major selling item for both this year and last has been Cetec Vega wireless microphones. In the computer group, Cetec sold the assets of the Vought division during the past quarter, due to a decline in the markets for computer-output microfilm. Also sold was the industrial property in Carpinteria, Calif., originally planned as a building site to house the Cetec Broadcast Group division.

With revenues at $62,350,000 for the year ended September 1979, the Cetec Corp. showed a gain of 29% over the previous year. Profits were also up by 33% this year, at $1,311,000.

11

Charter Co. □ *Raymond K. Mason, chairman and president; Fred C. Danneman, president.*

The Charter Co. is a holding company headquartered in Jacksonville, Fla., whose principal interest lies in the petroleum industry, but it also has operations in the insurance and communications fields. The communications group became wholly owned in 1978, and was named Chartcom Inc., with offices in New York. The large increases in the parent company's revenues and earnings this year are attributed to its acquisition of Carey Energy Corp., a marketer and distributor of petroleum products, and to "strong markets" for oil and related products.

Chartcom itself has five divisions: publishing—a magazine unit that includes *Ladies' Home Journal, Redbook, Sport,* plus specialty titles; printing; direct marketing; subscription services, and broadcasting. There are five stations in Charter Broadcasting's complement: KSLQ(FM) St. Louis, WDRQ(FM) Detroit, WOKY(AM) Milwaukee, KCBQ(AM) San Diego and WMJX(FM) Miami. WMJX's license renewal was denied by an administrative law judge in January 1978 in a decision relating to improperly conducted contests alleged to have taken place between 1973 and 1975, before Charter acquired majority ownership of the communications group. The FCC subsequently denied a petition for extraordinary relief by which Charter sought to sell the Miami station for $1 million as a distress sale. The original license denial remains on appeal. Charter also has pending before the commission the purchase of WMIL-FM Milwaukee from Stebbins Communications, and late in 1978 the company sold its New York station, WADO(AM) for $6.5 million.

The Charter Company reported revenues for the twelve months ending Sept. 30, 1979 that were up 90.6% over the year earlier, and earnings that soared 1018.6%. The figures, respectively, were $3,541,067,000 and $228,682,000. On a per share basis, earnings were $9.81, an 871.3% boost.

78

Chris-Craft Industries Inc. □ *Herbert J. Siegel, chairman, president and chief executive.*

Chris-Craft Industries has its boat division back on course through a major marketing effort, while enjoying profitability with its television division, which contributed 77% of the company's operating income in fiscal year 1979.

Gross revenues for the company were $105,247,000, up 21.8% from last year. The television division contributed 34% to that total, or $35,812,000. Its two VHF stations, KCOP Los Angeles and KPTV Portland, Ore., had operating-revenue and income increases of 20% and 25%, respectively, for last year. Total net income was $7,932,000, up 19%.

During the year, Chris-Craft increased its holdings in Twentieth Century-Fox Film Corp. It is Fox's largest shareholder, owning 1,106,800, or 14%, of Fox's outstanding common shares.

98

Cohu Inc. □ *Robert W. Kerns, chairman; William S. Ivans, president and chief executive officer.*

Gains in revenues in every quarter over last year, including $172,436 for the sale of land, pushed this equipment manufacturer's total revenues up 18.8% to $21,857,693. The land sale also upped net earnings by a considerable 87.8%—from $569,851 to $1,070,290. Earnings

Net earnings				
Four quarters through third quarter of 1979	*Four quarters through third quarter of 1978*	*% change*	*Earnings per share*	*Fiscal year ends*
$198,000	$10,354,000	−98.1	**$2.12**	Jan
19,060,000	16,641,000	+14.5	**2.22**	Dec
23,760,000	15,969,000	+48.8	**4.81**	Dec
33,119,000	29,801,000	+11.1	**3.69**	Dec
42,103,000	30,661,000	+37.3	**6.27**	Dec
9,409,000	3,388,000	+177.0	**2.44**	Dec
42,431,000	31,254,000	+35.8	**5.30**	Dec
12,820,000	12,098,000	+ 6.0	**4.26**	Dec
17,891,000	14,783,000	+21.0	**1.94**	Dec
12,531,000	11,926,000	+ 5.2	**3.08**	Dec
24,399,000	20,742,000	+17.6	**3.40**	Mar
20,559,000	18,123,000	+13.4	**3.67**	Dec
10,440,000	8,028,000	+30.0	**3.05**	Dec
26,424,000	18,586,000	+42.2	**5.18**	Dec
12,056,000	10,981,000	+9.7	**.94**	Dec
9,443,000	5,916,000	+59.6	**1.77**	Feb
5,314,000	(3,856,000)	+237.8	**.62**	Apr
8,382,000	5,315,000	+57.7	**1.87**	Dec
1,858,000	949,000	+95.7	**1.34**	Sept
10,968,000	10,718,000	+2.5	**4.37**	Dec
2,998,000	5,676,000	−47.0	**1.28**	Dec
5,287,000	5,452,000	−3.0	**1.81**	Dec
17,946,601	14,617,306	+22.8	**2.69**	Dec
8,366,000	6,095,000	+37.3	**1.75**	Sept
8,933,000	8,395,000	+6.4	**3.43**	Dec

per share climbed from 33 cents last year to 63 cents.

The company has three principal product lines: electronics (TV cameras and related equipment); electronic test and detection apparatus (includes Delta Design, which supplies electromechanical test equipment to semiconductor manufactuers and users, and FRL Inc., which makes metal detectors and associated equipment), and the meteorology products division (Meteorology Research Inc.).

37

Columbia Pictures Industries, Inc. □ *Leo Jaffe, chairman; Francis T. Vincent Jr., president and chief executive officer.*

Total revenues for the four quarters ending Sept. 30, 1979, were $611,964,000, up .34% from the previous four quarters' revenues of $591,861,000. Net earnings for the same periods were $36,760,000 and $69,084,000. The company reinstated its dividend in the fall of 1978 and by Sept. 1979, was paying a quarterly dividend of 12½ cents per share.

On Sept. 28, 1979, Columbia Pictures closed the sale of its Arista Record Co. for a net cash payment in excess of $50,000,000 to a subsidiary of Bertelsmann AG, a West German company. This resulted in a net gain of $4,017,000.

Among films released domestically in 1979 by Columbia Pictures were "California Suite," "China Syndrome," "Midnight Express," "Ice Castles," "Fast Break" and "The Cheap Detective." Its television division has four prime time network slots in the 1980 season: *From Here To Eternity* and *Eischied* on NBC and *Fantasy Island* and *Salvage One* on ABC. Its broadcast division owns WWVA(AM)-WCPI(FM) Wheeling, W. Va., WNJU-TV New York, WYDE(AM) Birmingham, Ala., and KCPX-AM-FM Salt Lake City.

Other holdings include the D. Gottlieb & Co., which produces solid state pinball machines, EUE/Screen Gems, which produces television commercials, Columbia Pictures Publications, which is primarily a music publisher and the Columbia Pictures Merchandising, Home Entertainment, Pay Television and Spanish Theatrical Film divisions.

99

Comcast Corp. □ *Ralph J. Roberts, president.*

Both revenues and profits were up for Comcast, mainly due to the success of the company's cable TV division and recent acquisitions. Revenues were up 35% to $20,290,000; net earnings rose 57% to $2,381,000.

Comcast's most profitable venture this year is cable television, with 111,642 subscribers served with basic cable and 21,672 subscribers with pay cable. Affiliation has been established with Home Box Office, Showtime and Channel 100. Presently, the company is constructing two cable systems, in the Meadowlands area of New Jersey and in Philadelphia. In 1980, when completion is expected, the system may provide service to 80,000 homes.

Comcast's Music Network supplies Muzak systems to various commercial establishments in Orlando, Fla., San Diego, Denver, Dallas, Fort Worth, Detroit, Hartford, Conn., and Indianapolis. The Merchandising Services Division, a less profitable operation with a decrease in earnings in 1978, provides background music, paging facilities and in-store manpower services.

57

Communications Satellite Corp. □ *John Harper, chairman; Joseph V. Charyk, president and chief executive.*

Comsat, as it is known, shook the broadcasting establishment with its announcement last August that it would develop a satellite-to-home broadcasting service that could be operational by 1983 (BROADCASTING, Aug. 6, 13). The move was seen by analysts as an attempt by the firm to boost sluggish financial performance and expand outside its principal role as a partner in Intelsat, the global satellite carrier.

If the direct-to-home plans are uncharacteristic of Comsat, so are its plans to enter the data communications business as a joint venturer in Satellite Business Systems. While both projects fulfill the company's need for expansion, both are expensive endeavors that will strain the company's resources until they begin to turn a profit.

For the year ended September 1979, Comsat reported revenues of $251,562,000, a 29.7% increase over 1978. And earnings were in even better shape, rising 35% to $42,431,000. The healthy increases for the year were the result of the company's coming out from underneath a

Rank	Company	Gross Revenues: Four quarters through third quarter of 1979	Four quarters through third quarter of 1978	% change
76.	Lee Enterprises Inc.	$115,805,000	$104,690,000	+10.6
77.	MCI Communications Corp.	115,187,100	81,606,000	+41.1
78.	Chris-Craft Industries Inc.	105,247,000	86,395,000	+21.8
79.	Doyle Dane Bernbach Inc.	100,128,000	83,603,000	+19.7
80.	Viacom International Inc.	100,100,000	74,310,000	+34.7
81.	Farinon Corp.	100,015,000	80,681,000	+23.9
82.	Grey Advertising	86,127,000	74,944,000	+14.9
83.	Tele-Communications Inc.	83,321,000	63,632,000	+30.9
84.	Scripps-Howard Broadcasting Co.	69,245,237	61,606,583	+12.3
85.	Post Corp.	66,508,000	51,574,000	+28.9
86.	Cetec Corp.	62,350,000	48,325,000	+29.0
87.	LIN Broadcasting Corp.	56,158,000	49,163,000	+14.2
88.	Wrather Corp.	48,931,000	40,224,000	+21.6
89.	San Juan Racing Association	46,437,316	38,784,684	+19.8
90.	Sonderling Broadcasting Corp.	41,528,099	38,518,273	+7.8
91.	UA-Columbia Cablevision	40,045,000	29,208,000	+37.1
92.	Marvin Josephson Associates Inc.	37,160,000	34,139,000	+ 8.8
93.	Turner Broadcasting System	36,550,000	32,619,000	+12.1
94.	United Cable Television Corp.	34,541,000	21,998,000	+57.0
95.	Movielab Inc.	33,038,030	28,143,516	+17.4
96.	Adams-Russell Co.	28,387,000	24,110,000	+17.7
97.	Gray Communications Inc.	27,009,883	18,052,079	+49.6
98.	Cohu Inc.	21,857,693	18,398,950	+18.8
99.	Comcast Corp.	20,290,000	14,922,000	+35.9
100.	Kansas State Network	19,590,000	17,073,000	+14.7

deleterious settlement of an FCC rate case which suppressed the figures in 1978.

71

Conrac Corp. □ *Donald H. Putnam, president and chief executive.*

Conrac Corp. is primarily an international manufacturer of electronic products and systems for communications and aerospace markets. The divisions within the communications market are telecommunications, broadcast communications and data, handling and display. Conrac also manufactures welding equipment, machinery and architectural hardware, but is best known among broadcasters as a maker of TV monitors.

During 1979, a substantial profit loss occurred within Conrac's broadcast division. This loss is attributed to the discontinuation of the Turner division in August. Turner was a supplier of microphones, antennas and citizen band radios. The latter item declined severely in sales from a high of $29 million in 1976 to less than $8 million in 1978.

An increase in revenues was achieved by Conrac in 1979, with $131,501,000, 14% over last year's figure of $115,054,000. The net earnings for the past year were $2,998,000; down 47% from last year's figures. The loss of the company's Turner division coupled with the profit loss at Conrac's German manufacturing subsidiary, Elektron GmbH., explain the severe decrease from last year's figure of $5,676,000.

55

Cox Broadcasting Co. □ *Clifford M. Kirtland, president and chief executive.*

Cox is a broadcasting company that diversified into other fields but still gets half its income and three-fifths of its operating profits from its stations and its two station representation firms, Telerep in television and Christal Co. in radio. In 1978 this group's revenues were $115,659,000 out of a total of $230,444,000 and its operating profits came to $45,352,000 out of $74,031,000. Cox Broadcasting's net earnings rose 37.3% to $42,103,000 on revenues of $260,696,000 for the year ended in September 1979. Since then, Cox has acquired the Schulke Radio Productions music syndication business.

Cox's most profitable nonbroadcast line is cable, which it entered in 1962 and which now accounts for more than one-fourth of revenues and almost one-fourth of operating profit. Cox cable systems serve more than 670,000 cable subscribers and 308,000 pay-TV customers.

The company's other major lines are business publishing, which it entered in 1966, and automobile auction services, which it branched into in 1968. Publishing is centered in United Technical Publications, Garden City, N.Y., which puts out more than a score of publications, mostly in the electronics and photographic fields. Publishing accounted for about 10% of Cox's 1978 revenues and 5% of operating profits. Through Mannheim Services Corp., Lancaster, Pa., Cox operates 13 wholesale auto auctions, which in 1978 represented 9% of revenues and 11% of operating profit. For many years, through its Bing Crosby Productions, Cox was also engaged in production of motion pictures, but it decided to discontinue this line, which produced a $10,000 loss on revenues of $4,122,000 in 1978. The last movie, "The Great Santini," had its premiere in October 1979.

Under a merger plan that officials hope will get FCC approval and go into effect early this year, General Electric Co. would acquire Cox in a stock deal valued at $460.5 million to $507.9 million. Cox stations, some of which are scheduled for sale to meet FCC's multiple-ownership rules in anticipation of the merger, are WSB-AM-FM-TV Atlanta; WHIO-AM-FM-TV Dayton, Ohio; WSOC-AM-FM-TV Charlotte, N.C.; WIIC-TV Pittsburgh; KTVU(TV) Oakland-San Francisco; WIOD(AM)-WAIA(FM) Miami; KFI(AM)-KOST(FM) Los Angeles; WLIF(FM) Baltimore and WWSH(FM) Philadelphia.

31

Walt Disney Productions □ *Donn B. Tatum, chairman of the board; E. Cardon Walker, president and chief executive officer.*

In 1978, the last full year for which the company has an accounting, Disney's television operations worldwide generated $25.2 million in revenues, and, according to the company, revenues through the first three quarters of 1979 "were approximately the same as the prior year." Television, then—primarily *Disney's Wonderful World* on NBC-TV and international distribution of it—accounts for just slightly over 3% of Disney's total revenues.

The company's largest operations are Disneyland in Anaheim, Calif., and Walt Disney World, near Orlando, Fla. The two theme parks account for approximately 69% of the corporations total revenues of $795 million for the four quarters ending June 30.

Other areas of operation include motion pictures, merchandising, records and music publishing, book publishing and real estate. Within the past year, Disney announced plans to build Tokyo Disneyland with two Japanese companies at an initial cost of approximately $300 million, and construction has begun in Florida on a new $500-million project called EPCOT (Experimental Prototype Community of Tomorrow). In December, Disney released its most expensive motion picture ever (approximately $20 million), "The Black Hole."

The corporation's television operations are included with its motion picture division, and for the nine months ending June 30, total revenues for the operations were $95 million, 17% of corporate revenues.

79

Doyle Dane Bernbach □ *Joseph R. Daly, chairman and chief executive; Neil R. Austrian, president and chief operating officer.*

Doyle Dane Bernbach is expected to top the $100 million mark in 1979, exceeding 1978 by an estimated 20%. DDB showed 19.7% growth in revenues in the 12 months ending last September, to $100,128,000. Earnings for that period were $8,145,000, up 6.9% over the year earlier period; $3.29 on a per-share basis.

DDB experienced growth both locally and overseas and worldwide billings in 1979 were estimated at more than $650 million. DDB has U.S. offices under that name in New York, Chicago and Los Angeles and owns other agencies here, including Cargill, Wilson & Acree Inc., Atlanta; Milici/Valenti Advertising, Honolulu; DDB Group II Inc., New York; The Directors Studio, New York, and Rapp & Collins, New York. Overseas the agency operates in Australia, Belgium, Canada, Germany, Italy, Mexico, Switzerland, the Netherlands and the United Kingdom.

The agency reported $217 million in U.S. TV-radio billings for 1978, and 1979 expenditures can be in the $240 million-$250 million range. DDB's long list of TV-radio accounts in 1979 included American Airlines, Avis Rent a Car System, Bristol-Myers, Clairol, Hershey Foods, Mobil, Polaroid, Ponderosa System Inc., Stan-

Net earnings

Four quarters through third quarter of 1979	*Four quarters through third quarter of 1978*	*% change*	*Earnings per share*	*Fiscal year ends*
$15,393,000	$15,914,000	−3.3	**$2.13**	Sept
9,433,000	5,566,000	+69.5	**.25**	Mar
7,932,000	6,666,000	+19.0	**2.03**	Aug
8,145,000	7,618,000	+6.9	**3.29**	Dec
10,758,000	6,354,000	+69.3	**2.24**	Dec
5,268,000	4,635,000	+13.6	**1.08**	Mar
6,243,000	5,235,000	+19.0	**10.06**	Dec
49,144,000	6,560,000	+649.1	**1.14**	Dec
15,653,180	13,772,104	+13.6	**6.07**	Dec
3,867,000	3,990,000	−3.1	**2.13**	Dec
1,311,000	981,000	+33.6	**.82**	Dec
13,165,000	10,461,000	+25.8	**4.78**	Dec
(1,030,000)	1,618,000	−174.5	**(.46)**	Dec
4,870,026	2,403,422	+102.6	**1.24**	Apr
3,511,034	3,239,705	+8.3	**3.14**	Dec
4,175,000	3,296,540	+26.6	**1.27**	Sept
4,647,000	4,797,000	−3.1	**1.91**	Jun
(2,173,000)	(1,570,000)	−38.4		Dec
4,616,000	2,404,000	+92.0	**1.58**	May
1,626,720	634,134	+156.5	**1.17**	Dec
1,907,000	1,144,000	+66.6	**1.07**	Sept
2,069,871	1,337,791	+54.7	**4.01**	Jun
1,070,290	569,851	+87.8	**.63**	Dec
2,381,000	1,512,000	+57.4	**1.21**	Dec
2,088,000	1,879,000	+11.1	**1.06**	Aug

dard Brands, Volkswagen, Atari and Miles Laboratories.

27

Dun & Bradstreet □ *Harrington Drake, chairman and president.*

Although heavily in the financial field, Dun & Bradstreet has been shoring up its interests in broadcasting and related fields.

Additions in those areas during the past year included the purchase, in February 1979, of Peters Griffin Woodward, national representative whose client list includes the TV stations of D&B's Corinthian Broadcasting's Television Stations Division. Also, an agreement was signed in October for the Corinthian purchase of WVEC(TV) Hampton-Norfolk, Va.

Other Corinthian stations are KHOU-TV Houston; WISH-TV Indianapolis; KXTV(TV) Sacramento, Calif.; KOTV(TV) Tulsa, Okla., and WANE-TV Fort Wayne, Ind.

The third broadcast unit of D&B is the TVS Television Network, an independent network that produces telecasts of college basketball games and other sports and entertainment events.

In the nonbroadcast area, D&B has divisions for business information services; publishing (including Reuben H. Donnelley and Funk & Wagnalls) and marketing services.

D&B's profits for the four quarters prior to Sept. 30, 1979 exceeded $84.4 million (up 26% from the preceding four quarters) on revenue of $896.5 million (up 23.1%).

2

Eastman Kodak Co. □ *Walter A. Fallon, chairman and chief executive; Colby H. Chandler, president.*

Eastman Kodak, the Rochester, N.Y.-based firm which should have well above $1 billion in net earnings when it tabulates its fiscal year ended last month, relies upon the photographic business for about 80% of its sales.

That involves photographic films and papers, chemicals and equipment serving a variety of markets. Broadcasting sales are targeted within motion picture and audiovisual markets.

Electronic newsgathering may have provided a boon to the tape manufacturers but it has meant just the opposite to Kodak. As a sales summary points out: "Strong sales of films serving the entertainment industry; moderate increases in audiovisual products; lower sales to the television news industry."

Kodak's other major division is Eastman Chemicals, which supplies chemicals, fibers and plastics.

In 1978, Eastman Kodak Co. for the first time reached the point where its research cost more than $1 million a day. It can afford it. Through Sept. 9, 1979, a year's worth of revenues for the company was $7.8 billion, up 18%. Net earnings were $1 billion, up 30.1%. Earnings per share: $6.43.

34

Fairchild Industries □ *Edward G. Uhl, chairman and chief executive; John F. Dealy, president and chief operating officer.*

Fairchild Industries, a major defense contractor, severed its slim connection to broadcast station ownership with the sale of its KLIF(AM) Dallas to Susquehanna Broadcasting Co. for $4.5 million (BROADCASTING, Dec. 24, 1979).

However, Fairchild retains a connection in the communications field through its American Satellite Corp., Germantown, Md., which provides services in the domestic satellite field.

Last fall, ASC dropped its lease arrangement for three transponders of Western Union's Westar system and agreed to buy 20% of the system for $31.9 million. Also, Fairchild and Continental Telephone will each purchase a 25% interest in Western Union Space Communications, the Western Union subsidiary formed to build and operate the TDRSS/Advanced Westar system (BROADCASTING, Nov. 3, 1979).

Significant increases in Fairchild's commercial aircraft operations, along with gains in its military aircraft operations, sent sales and earnings sharply upward in the past year.

Revenues for the four quarters that ended Sept. 30, 1979, came to $686,817,000 with earnings of $24,384,000. That was 38% and 17.7% more, respectively, than in the previous four quarters when revenues were $497,622,000 and earnings were $20,785,000.

81

Farinon □ *William B. Farinon, chairman; John B. Arnold, president and chief operating officer.*

Farinon Corp. is a telecommunications company that specializes in the manufacture, design and operation of transmission facilities, primarily telephone. One of its five major subsidiaries, however, is Farinon Video, a producer of fixed and portable microwave transmission equipment used by broadcasters and cable TV operators. It also manufactures receive-only earth stations and television peripheral equipment, including video/audio diplexers. Farinon video accounts for roughly 6% of its sales.

Farinon's other major subsidiaries are Farinon Electric and Farinon Canada, manufacturers of systems for fixed point-to-point microwave communications; Dracon Industries, maker of peripheral telephone equipment; and Digital Telephones Systems Inc., which sells inter-office phone systems, to the business sector.

Pending shareholder approval (which will probably be forthcoming in Feb.), Farinon will be consolidated by Harris Corp. (shareholders being offered .8 shares of Harris for every share of Farinon held).

In the four quarters ended September 1979,

What you don't know about your film library may be killing you.

Because there are so many films to choose from, keeping up is almost impossible. Without a little help, you may be losing money and viewers.

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It also provides amortization, payable and forecasting information. And you can use our "FILMS" management package independently or with our BCS 1100 traffic/accounting system.

Other BCS management packages include "DEMOS", which provides immediate access to all rating book data and prepares avail submissions; "KARTS" for inventory and access control of carts and cassettes; and "NEWS", an inventory and retrieval system.

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Farinon revenues were up 23.9% from 1978's $80,681,000 to $100,015,000, and earnings rose 13.6% from $4,035,000 a year ago to the present $5,268,000.

66

Filmways Inc. □ *Richard L. Bloch, chairman, president and chief executive.*

On July 12, 1979, Filmways consummated its acquisition of American International Pictures Inc., a stock exchange and debenture transaction worth an estimated $30 million and resulting in, among other benefits, Filmways' acquisition of "Love at First Bite" and "The Amityville Horror," two very successful movies of 1979.

In fiscal 1979, Filmways' entertainment and entertainment services division, under which its television production arm operates, accounted for approximately 18% of the corporation's total revenues of more than $153 million. Included in that division are Filmways TV Productions Inc., which produced the now-canceled *240-Robert* series for ABC-TV last fall; Ruby-Spears Productions Inc., a leading maker of children's animated programs; Moonlight Productions, which produces network specials and made-for-television films; Heatter-Quigley, producer of *Hollywood Squares*, and the Filmways Audio Group, which provides a variety of services to the radio and recording industries.

The company's manufacturing division (5% of revenues) is led by Broadcast Electronics Inc., maker of a wide variety of tape cartridge machines and other equipment for radio stations.

Filmways' principal revenue center is its publishing and publishing services division, which includes Grosset & Dunlap Inc., book publishers; Ideal Publishing Corp., magazine publishers, and Publishers Distributing Co. That division accounted for 74% of corporate revenues for fiscal 1979, which ended Feb. 28.

The acquisition of AIP has already been reflected in the parent company's preliminary reports for 1980. For the six months ending Aug. 31, revenues totaled $115 million—up 54% for the same period a year earlier. In the second quarter, ending Aug. 31, Filmways noted an 85% increase over the same quarter for last year ($73 million versus $39 million) and attributed the rise "to the excellent operating results achieved by AIP and the success of their theatrical release, 'The Amityville Horror.'"

Problems arose with the merger last month, however, when it was disclosed that AIP's television production assets had been understated prior to the merger by approximately $5 million. Filmways reported that "it does not believe this event will have a material impact on its earnings in the current fiscal year, but will be principally reflected on the balance sheet of the company." Samuel Z. Arkoff, president and chief executive of AIP and vice chairman of Filmways, resigned last month as a result of the disclosures. Arkoff, the largest single stockholder in Filmways, will retain the vice chairmanship until February, however.

For the four quarters ending Aug. 31, Filmways had revenues exceeding $156 million (up 5% from the four preceding quarters) and earnings of $9.4 million (up 60%).

75

Foote, Cone & Belding □ *Arthur W. Schultz, chairman and chief executive; John E. O'Toole, president and chief operating officer.*

In recent years Foote, Cone & Belding's growth has been abetted not only by new account acquisitions but also by expansion into overseas markets through buying agencies abroad and by purchasing public relations organizations.

In 1978 the agency acquired the financial public relations agency of Albert Frank-Guenther Law and later that year merged with Carl Byoir & Associates, which has 18 offices throughout the world. During 1978 Foote, Cone & Belding obtained interests in agencies in Germany, Hong Kong, and Spain and in 1979 broadened its base to include agencies in Lebanon and Athens. FC&B has 33 full service advertising agency offices in 19 countries.

Revenues of $122,107,000 were reported by Foote, Cone & Belding for the year ended Sept. 30, 1979, a rise of 24.7%. The company's earnings were up 6.4% to $8,933,000, with a per share figure of $3.43.

FC&B's revenues for calendar 1979 were expected to be about 25% higher than last year's total of more than $111 million. The agency was in 11th place in 1978 in BROADCASTING's listing of top U.S. broadcast agencies with more than $208 million. Its TV-radio roster of clients includes Nabisco, Kraft, Pizza Hut, Sherwin Williams, S.C. Johnson, Armour, Clorox and Equitable Life Assurance Society.

17

Fuqua Industries Inc. □ *J.B. Fuqua, chairman; C.L. Patrick, vice chairman.*

Fuqua Industries, whose diversified holdings include a five-station stake in radio and television, wants to get out of broadcasting. According to chairman J.B. Fuqua, there is dissatisfaction with the return on the capital investment for that division (BROADCASTING, Nov. 19, 1979). Total market value of the five outlets is in the neighborhood of $63 million.

Stations in the Fuqua Communications division, which is headquartered in Columbus, Ga., with Joe Windsor as president: WROZ(AM)-WTVW(TV) Evansville, Ind.; WTAC(AM) Flint, Mich.; WTVM(TV) Columbus, and WTVC(TV) Chattanooga.

Agreements have been reached for the sale of all three television stations. Final papers were signed Dec. 20 with Belo Broadcasting Corp. for the $19.5-million transfer of WTVC (BROADCASTING, Dec. 24, 1979). At the same time Fuqua Industries announced an agreement with Charles Wood, owner of WTVY-FM-TV Dothan, Ala., for the $21.5-million sale of WTVW. In November 1979, group owner Dale G. Moore contracted with Fuqua Industries to buy WTVM for $19.25 million (BROADCASTING, Nov. 26, 1979).

In addition, J.B. Fuqua, who personally owns WJBF(TV) Augusta, Ga., through a separate economy, is selling that outlet to Moore for $26 million.

All sales are subject to FCC approval.

Chairman Fuqua also was in the station sales representative business for almost a year. His separate company had bought a major interest in HR Television in January, but sold it back to key executives of that company in December ("Bottom Line," Dec. 24, 1979).

The six divisions of Fuqua Industries are deeply involved in the manufacture of lawn and garden equipment, transportation, entertainment (movie theater operations in addition to radio-TV), photofinishing, trucking, foods, industrial services, distribution of petroleum products, real estate development and construction of home and shelter units.

Chairman Fuqua two weeks ago said that he planned to visit China to discuss joint ventures with the Chinese for the manufacture of sporting goods and other items to Fuqua specifications. He said the company would open a buying office there, but would not know until mid-1980 the specific amounts that will be invested in those joint ventures.

Over-all, it has been a year of continuing profitability with Fuqua net earnings in the four quarters ending in September amounting to $55.5 million, more than double the $25.2 million net earnings in the preceding four quarters. Revenues in those periods were, respectively, $1.99 billion and $1.37 billion.

25

Gannett Co. □ *Allen H. Neuharth, chairman and president.*

On June 7, 1979, Gannett merged with Combined Communications of Phoenix to form a company that owns 80 daily newspapers, seven television stations, 12 radio stations, a leading outdoor advertising operation and the Lou Harris & Associates polling firm. Since that time, Gannett has added two newspapers, giving it a combined circulation of 3,520,000 papers daily, and signed an agreement in principle for WJYW(FM) Tampa, Fla., which would give Gannett one station short of a full complement of broadcast properties. Gannett anticipates revenues of more than $1 billion for 1979.

Stations now in the Gannett fold are KOCO-TV Oklahoma City; WXIA-TV Atlanta; KVTV(TV) Denver; WPTA(TV) Roanoke, Ind.; WLKY-TV Louisville, Ky.; KARK-TV Little Rock, Ark.; KTAR-TV Phoenix; KSDO(AM)-KEZL(FM) San Diego; KIIS-AM-FM Los Angeles; WDEE(AM)-WCZY(FM) Detroit; WVON(AM)-WGCI(FM) Chicago; WWWE(AM)-WDOK(FM) Cleveland, and KSD(AM)-KCFM(FM) St. Louis. Gannett's WHEC-TV Rochester, N.Y., was spun off from the merger, and commanded a price of $27 million.

Organizational restructuring that followed the merger included the formation of a five-member office of the chief executive that included the former head of Combined, Karl Eller. However, Eller recently resigned from the company. Alvin Flanagan, who was president of Combined's Broadcast Division, now has that title for the Gannett Broadcasting Group.

Gannett posted revenue increases of 28.7% in the 12 months ending September 1979, giving it a total of $972,601,000. Earnings were $127,-

777,000, a 28.6% increase, with earnings per share up 26.5% to $3.82.

1

General Electric Co. □ *Reginald H. Jones, chairman and chief executive.*

General Electric is of such a size that its after-tax profits each year almost rival the pre-tax profits of the entire television industry. In 1978, for example, the pre-tax profits of TV networks and stations, as reported by the FCC, came to $1.647 billion, while GE's net profits were $1.23 billion. Its total revenues, $20.07 billion, were more than double those of all TV and radio broadcasters combined. GE earnings climbed 15.97% on a 14.56% rise in revenues in the 12 months ended Sept. 30, 1979. Revenues were $21,732,700,000, earnings $1,389,900,000. Earnings per share were $6.11.

Not much of these revenues and profits derive from broadcasting, although GE owned three TV, three AM and five FM stations, plus 13 cable television systems, and manufactures TV and radio receivers along with tape recorders and players and CB mobile and base station transceivers. In size, these operations are dwarfed by GE's other interests, which range from motors to nuclear equipment, gas and steam turbines, aircraft engines and mining gear. GE lumps them with lighting products, major appliances and similar goods in its Consumer Products and Services Division, which accounts for about 24% of the company's revenues and 30% of profits. Broadcasting stands to become a somewhat larger part of the balance sheet, however, upon completion of GE's projected $460.5-million to $507.9-million acquisition of Cox Broadcasting Co., which after spinning off selected Cox and GE stations to conform to FCC rules, would leave GE with five television, five AM and seven FM stations. In 1978, Cox's revenues were $230,444,000 and net profit was $33,847,000.

1979

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35

General Instrument Corp. □ *Frank G. Hickey, chairman and chief executive.*

General Instrument is a diversified company engaged in the design, manufacture and sale of electronic and electro-mechanical components, systems and related services. It has four business segments: data products, semi-conductor products, component products and cable TV products.

Its principal cable subsidiary is Jerrold Electronics Corp., which led all other divisions in profits. For the first three quarters of this fiscal year, (March-September), Jerrold had a 54% increase over the same nine-month period last year, and the cable TV group, as a whole, had an 83% increase in orders.

For the 12 months ended Sept. 30, revenues were up 27.8% to $667,070,347, from $521,839,000 for the same twelve-month period last year. Net income was $43,410,411, up 49.9% from last year's $28,890,000.

Last spring, General Instrument acquired the assets of the cable TV business of EMI Industries Electronics Ltd.

15

General Tire & Rubber Co. □ *T.F. O'Neil, chairman; M.G. O'Neil, president and chief executive.*

GT&R is a worldwide organization, operating 51 major facilities in the U.S., and is affiliated with 20 companies in 17 foreign countries. However, it is among the five largest tire producers in the country, and tires account for the largest single source of revenue. In the four quarters ending Aug. 31, GT&R reported revenues of $2,331,101,000 and net earnings of $96,163,000. That compares with revenues of $2,153,947,000 and net earnings of $112,611,000 in the preceding 12-month period.

RKO General Inc., which includes GT&R's broadcasting properties as well as some other subsidiary interests, accounts for a major share of GT&R's operations—$33,875,000 of the net income for the four quarters ending last August, compared with $30,428,000 in the preceding 12-month period. The company owns WOR(AM)-WXLO(FM)-WOR-TV New York; WRKO(AM)-WROR(FM)-WNAC-TV Boston; KHJ(AM)-KRTH(FM)-KHJ-TV Los Angeles; WHBQ-AM-TV Memphis; KFRC(AM) San Francisco; WGMS-AM-FM Washington; WAXY(FM) Fort Lauderdale, Fla., and WFYR(FM) Chicago. However, at year's end, the fate of the licenses was in doubt as a result of a history of wrongdoing on the part of GT&R that surfaced during comparative renewal hearing involving RKO's WNAC-TV. RKO had proposed resolving that case through a sale of the station to two competing applicants. But pending before the commission is the question of whether RKO is qualified to be a licensee.

97

Gray Communications System Inc. □ *James H. Gray Sr., chairman and president.*

Gray Communications, headquartered in Albany, Ga., has operations in the areas of broadcasting, publishing, electronic equipment sales and transportation. On BROADCASTING's top-100 communications companies list for the first time this year, Gray Communications had over-all revenues of $27,009,883 in 1979, up from $18,052,079 in 1978. Net income rose from $1,337,791 in 1978 to $2,069,871 in 1979.

Gray Communications has TV stations which serve markets in Albany, Ga. (WALB-TV), El Dorado, Ark.-Monroe, La. (KTVE-TV), and Panama City, Fla. (WJHG-TV). WALB-TV has been sold, subject to FCC approval, for $20,750,000 (see page 92). These broadcasting interests account for about 34% of total revenues. Publishing revenues make up 26% of total revenues, equipment sales and transportation accounting for the remaining 40% in total revenues.

82

Grey Advertising □ *Edward H. Meyer, chairman and chief executive; Mark N. Kaplan, president and chief operating officer.*

Revenues at Grey Advertising were up 14.9% to $86,127,000 during the 12 months ending last September. Earnings hit $6,243,000, 19% better than the prior year, giving a per share figure of $10.06.

Officials said that the agency had lost two major accounts, Honda Motorcycle and Amana, as of the third quarter of 1979, and added that Grey was "beginning to see a reduction in advertising by some clients, reflecting the impending business slowdown."

Grey maintains U.S. offices in New York, Chicago, Los Angeles, San Francisco and Southfield, Mich; five specialized agencies in New York and overseas offices in Argentina, Austria, Belgium, Brazil, Canada, Chile, France, Germany, Holland, Hong Kong, Italy, Japan, New Zealand, South Africa, Spain, Sweden, the United Kingdom, Uruguay and Venezuela.

In 1978 Grey chalked up TV-radio billings of slightly more than $260 million, placing fifth among U.S. agencies. Among Grey's widely diversified accounts are Procter & Gamble, General Foods, Block Drug, Revlon, General Electric, Sentry Insurance, Mennen, Timex, American Motors and B.F. Goodrich.

6

Gulf + Western Industries Inc. □ *Charles C. Bludorn, chairman; David H. Judelson, president.*

Financial services, Beautyrest mattresses, Simon & Schuster, No Nonsense pantyhose, amusement centers and masonry cement are just part of the diversified interests of Gulf + Western Industries, the 58th largest industrial corporation in the U.S.

And then there's the hits *Laverne & Shirley, Mork & Mindy, Happy Days, Taxi* and *Angie*, not to mention "Star Trek—The Motion Picture," "North Dallas Forty" and others that come under G+W's Paramount banner.

For television (series and films), Paramount brought in $124 million in revenues for the fiscal year ended July 31. That's up from the previous FY's $97 million. And by the end of its FY 1979, Paramount said it had $370 million worth of TV licensing agreements both with networks and individual stations.

From the syndication of *Happy Days*, G+W said Paramount will make more than any of its feature films aside from "Grease" and "The Godfather"—about $75 million for six years of episodes so far or $500,000 per episode. And it added, from *Laverne & Shirley*, it's expecting more.

In the future, Paramount has a $100 million commitment from ABC-TV over four years for comedy series and feature length-dramas. And on another front, it is exploring the new media: cable, pay, videodisks and videotapes.

For its fiscal year ended July 31 (latest quarterly results were not issued by press time), Gulf + Western Industries achieved "all-time highs" in sales: $5.3 billion, up 22.6%; net earnings: $227.4 million, up 26%, and earnings per share: $4.62.

42

Gulf United Corp. □ *E. Grant Fitts, chair-*

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COMPANIES IN ELECTRONIC COMMUNICATIONS

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Gulf United Corp., based in Jacksonville, Fla., is primarily in the life insurance business. But since 1977, the company has formed a broadcasting division, Gulf Broadcast Group. Its first acquisition was WVOJ(AM) Jacksonville in 1977. In 1978, WGHP-TV High Point, N.C., and KTXQ(FM) Dallas were added. That same year, Rahall Communications Corp. of St. Petersburg, Fla., merged into Gulf United. Rahall was primarily engaged in broadcasting, owning WTSP-TV St. Petersburg and six radio stations. When the merger occurred, two of the radio stations were spun off, leaving Gulf United with WTSP-TV and four new radio properties: WNDE(AM)-WFBQ(FM) Indianapolis, WKAP(AM) Allentown, Pa., and WWNR(AM) Beckley, W.Va.

Gulf United's revenues for the four quarters ending Sept. 30, 1979, were $476,719,000, up 23.1% from the previous four quarters's revenues of $386,986,000. Net earnings for the same periods were $50,902,000, up 8.3% from $46,976,000.

24

Harris Corp. □ *Joseph A. Boyd, chairman and chief executive; John T. Hartley, president and principal operating officer.*

Harris became a billion-dollar company in 1979. Based in Melbourne, Fla., the international manufacturer of telecommunications and information processing equipment recorded revenues of $1,012,563,000 in 1979, a 12% increase over the previous year's total of $904,232,000. And that revenue generated earnings of $65,769,000 ($2.52 per share), a 21% increase over 1978.

The thread that ties all of Harris's 20 divisions together is communications, but the products those divisions manufacture range from the offset printing presses of the Web Press Division, based in Montataire, France, to the earth satellite stations of the Satellite Communications Division in Melbourne.

Harris should be able to report another $100 million increase in revenues in 1980, if its agreement to merge with Farinon Corp., which placed 75th on last year's top 100 and reported $93 million in revenues for its 1978 fiscal year, is consummated. Farinon, San Mateo, Calif., is a manufacturer of a variety of telecommunications products including microwave antennas and receivers and should fit neatly into Harris's organization. Under the merger agreement, Farinon stockholders will receive .8 shares of Harris stock for each share of Farinon. Based on the current selling price of Harris stock, the deal is valued at about $130 million.

Harris's Broadcast Products Division, Quincy, Ill., manufactures cameras, transmitters, studio equipment and automatic studio and transmitter systems. It expanded the division when it purchased for $13 million Consolidated Video Systems, Sunnyvale, Calif., in September. CVS's name was changed to Video Systems Operations, but it will remain a separate entity and continue the development and manufacturing of a line of digital broadcast equipment, including time base correctors.

59

Harte-Hanks Communications Inc. □ *Houston H. Harte, chairman; Robert G. Marbut, president and chief executive.*

The bulk of Harte-Hanks's revenues still come from its newspaper holdings, but broadcasting, strengthened by a number of acquisitions in 1978, is making a significant impact on the balance sheet. According to Robert Bidwell, the company's chief financial officer, the broadcasting division now accounts for approximately 23% of the company's gross revenues.

And broadcasting's prominence should become even greater in the future. Wayne Kearl, head of broadcasting operations, said that the company intends to acquire a full complement of stations, meaning three more TV stations and three more radio stations. The company's current portfolio: WSGN(AM) Birmingham, Ala.; KULF(AM)-KYND(FM) Houston, Tex.; KMJK(FM) Lake Oswego-Portland, Ore.; WEZI(FM) Memphis, Tenn.; KOY(AM)-KQYT(FM) Phoenix; WRVA(AM)-WRVQ(FM) Richmond, Va.; WLCY(AM)-WSBQ(FM) Tampa-St. Petersburg, Fla.; WFMY-TV Greensboro, N.C.; WTLV(TV) Jacksonville, Fla.; KENS-TV San Antonio, Tex., and KYTV(TV) Springfield, Mo. (KYTV was purchased in 1978, but not approved by the FCC and closed until January 1979.)

Another area that should increase in importance to the company is cable. The company purchased three small systems in Colorado in 1979 to complement its 12,000 subscriber system in Pasadena, Tex., a suburb of Houston. It was also awarded franchises for three other Houston suburbs—Deerpark, South Houston and LaPorte—and Hurt and Altavista, both Virginia. According to Bidwell, the company is seeking additional franchises as well as built systems.

As noted above the newspaper division, which includes 28 dailies, accounted for most of the $227,631,000 in revenues the company reported in 1979. The figure is a 33% increase over 1978's total of $170,720,000 and earnings rose to $17,891,000, a 21% increase over 1978.

49

Interpublic Group of Companies □ *Paul Foley, chairman and chief executive; Philip H. Geier Jr., president and chief operating officer.*

The most noteworthy news at Interpublic in 1979 was the agency group's acquisition of SSC&B Inc., effective last Sept. 1, bringing more than $700 million in billings to Interpublic. The agency complex reportedly paid $40 million to buy SSC&B and a 49% interest in the SSC&B Lintas international group.

Interpublic posted revenues for the year ending in September 1979 of $352,933,000, a rise of 19.7%. Earnings rose 23% to $21,189,000. Interpublic noted that in 1979 its agencies have benefited from new account assignments. McCann-Erickson landed the $20 million Pabst Brewing business which will take effect on Jan. 9.

In addition to SSC&B the Interpublic complex includes McCann-Erickson Worldwide, Campbell-Ewald Worldwide, the Marschalk Co. and Erwin Wasey.

The Interpublic agencies are highly active in the U.S. broadcast media. McCann-Erickson allotted $240 million to TV and radio in 1978, followed by Campbell-Ewald, $148.6 million; Marschalk, $67.9 million and Erwin Wasey, $27.5 million.

McCann's long list of broadcast active accounts includes Coca-Cola, Heublein, Buick, CPC International and Gillette. Among Campbell-Ewald's clients are Borden, Goodyear Tire & Rubber, General Motors and Libbey-Owens-Ford. In the Marschalk fold are Coca-Cola (Sprite), Drackett, Gillette, Heublein and Revlon, among others. Erwin Wasey's broadcast clients include Carnation, Gulf Oil, Julius Wile Sons (wines) and California Avocado Commission.

30

Jefferson-Pilot Corp. □ *W. Roger Soles, president and chief executive.*

Jefferson-Pilot Corp.'s total revenues for the four quarters ended Sept. 30, 1979, were $808,738,000, up 11.4% from $726,024,000 for the previous four quarters. Net income for the com-

parable quarters was $94,292,000, up 8.5% from $86,844,000.

Although most of the company's consolidated revenues and income come from its principal subsidiaries—the Jefferson Standard Life Insurance Co. and the Pilot Life Insurance Co., both of Greensboro, N.C.—revenues and net income from the company's Jefferson-Pilot Broadcasting Co. account for a higher percentage of the company's total revenues and income this year than in the previous year. Broadcast revenues for the four quarters ended Sept. 30, 1979, were $36,448,000, or 4.5% of total revenues. The previous year broadcast revenues were $31,814,000, or 4.4% of total revenues. Net income from broadcast holdings for the comparable quarters was $6,208,000, 6.6% of the parent company's net income. During the previous four quarters, net income for broadcast holdings was $4,492,000, or 5.2% of the parent company's income.

Jefferson Pilot Broadcasting Co. finalized its purchase of WQBS(AM)-WLYF(FM) Miami from Storer Broadcasting on Dec. 31, 1979. The company also owns WBT-AM-FM-TV Charlotte, N.C.; WWBT(TV) Richmond, Va.; KIMN(AM)-KYGO(FM) Denver; WQXI-AM-FM Atlanta; WBIG(AM) Greensboro and WWIL(AM)-WHSL(FM) Wilmington, both N.C. Wallace J. Jorgenson is president of Jefferson-Pilot Broadcasting Co. At the end of 1978, North Carolina Broadcasting Co., owner of WBIG(AM) Greensboro and WWIL(AM)-WHSL(FM) Wilmington and formerly a separate subsidiary of Jefferson-Pilot Corp., became part of Jefferson-Pilot Broadcasting Co., bringing all broadcasting operations under one subsidiary.

92

Marvin Josephson Associates Inc. □ *Marvin Josephson, chairman and chief executive; Alvin Schulman, president and chief operating officer.*

Marvin Josephson Associates (MJA) is one of the largest talent agencies. The company operates in two industry segments: services, which includes the talent agency businesses, and communications, which includes radio broadcasting and television production. Although MJA is diversifying into production, the majority of its revenues are derived from its management services division, which accounted for approximately 85% of revenues for fiscal 1979. Communications revenues were up 35.6% from 1978. Two Detroit-market radio stations (WWKR(AM) and WNIC(FM)) acquired in 1977, showed profits in a radio market that as a whole had a 4% decline in revenues.

Revenues for the year ending September 1979 were $37,160,000, up 8.8% from the year before. Net earnings were down slightly (3.13%) from $4,797,000 to $4,647,000.

Robert Keeshan Associates Inc., NJA's first "communications" acquisition, produces the *Captain Kangaroo* CBS-TV program. One of the longest running programs, it was renewed for the 25th year in 1979.

100

Kansas State Network □ *Charles L. Brown, chairman; Donald D. Sbarra, president.*

KSN Inc. owns KGLD(TV) Garden City, KCKT(TV) Great Bend, KARD(TV) Wichita, all Kansas; KOMC(TV) McCook, Neb., and KTVJ(TV), Joplin, Mo. In the third quarter of fiscal 1979, broadcasting revenues were $2,775,000, up 13.8% from $2,438,000 a year ago.

KSN has been aggressively expanding its cable TV operations for several years—The number of subscribers has risen over the past two years from 8,385 to 17,000. CATV revenues for the third quarter were up 114.6% over last year's third period.

Pending approval by the KSN shareholders of a tender offer by Standard Communications ($33.50 a share for 1,886,540 shares) Kansas State Network will be sold for approximately $6.35 billion. The cable division would be spun off to Multimedia Inc. for approximately $11 million. The deal should be completed imminently.

26

Knight-Ridder Newspapers □ *Lee Hills, chairman; Alvah H. Chapman Jr., president and chief executive officer.*

As the name implies, this Miami-based communications firm considers itself primarily a newspaper company. However, in April of 1978 the company acquired Poole Broadcasting for $50 million (having previously sold its 45% interest in Group One Broadcasting), and John Poole, founder of the broadcasting unit, joined the Knight-Ridder board of directors. At present, Knight-Ridder operates three VHF stations and one UHF satellite, but has told its stockholders that one of the company's highest priorities is "acquisition of television stations in major markets." Backing up that claim, Knight-Ridder was high bidder for KOVR(TV) Sacramento, Calif., offering $68 million for the station, but had turned down in favor of Outlet Co.'s $65 million bid. The stations now held by K-R Broadcasting are WJRT-TV Flint, Mich., WTEN(TV) Albany, N.Y., (satellite WCDC-TV Adams, Mass.) and WPRI-TV Providence, R.I.

A separate telecommunications venture for the parent company is its Viewdata Corp. of America, which is working with AT&T to test a telephone interactive home data system called Viewtron in Coral Gables, Fla., in 1980. Said to

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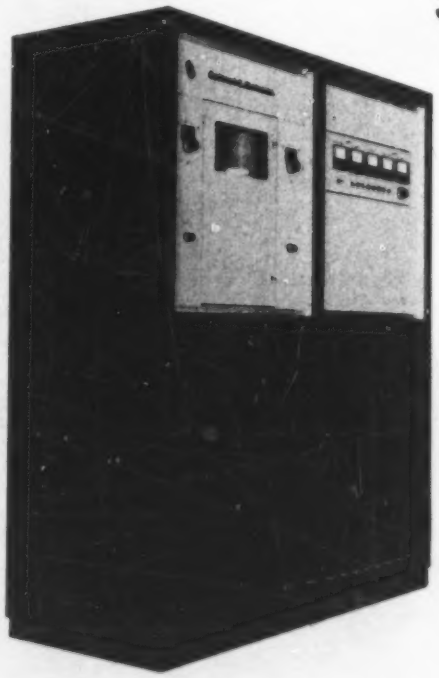

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be "on schedule and under budget, the system is intended to provide news and other information, as well as permit electronic shopping and bill payment.

Knight-Ridder put its newspaper circulation figures at 3.5 million daily, four million Sunday, and includes in its fold the *Detroit Free Press* and the *Philadelphia Inquirer*.

Knight-Ridder Newspapers' revenues rose 12.99% in the year ended September 1979, to $955,611,000. Earnings posted an 18.8% increase in the period, to $86,923,000, while the per share figure improved 17.8% to $2.64.

76

Lee Enterprises Inc. □ *Lloyd G. Schermer, president.*

Lee Enterprises is a multimedia company with strong roots in newspaper publishing and broadcasting.

Its broadcast operations—the company owns five VHF stations and owns or has an interest in four radio stations—accounted for $33,570,000, or 29% of the total revenues, and 94.85% of its pretax income of $30,563,000. It also publishes 19 dailies in Illinois, Iowa, Montana, Oregon, Wisconsin, Kansas and North Dakota. The dailies accounted for 67.5% of the $115,805,000 revenues for the year ended Sept. 30, 1979.

Its broadcast properties are: KHQA-TV Hannibal, Mo.; WTAF(AM)-WQCY-FM Quincy, Ill.; WSAZ-TV Huntington-Charleston, W. Va.; KGMB-TV Honolulu; KOIN-TV Portland, Ore., and KEAM(AM)-KGOR-FM Omaha, partially owned by the Journal-Star Printing Co. It has sold, subject to FCC approval, KIMT(TV) Mason City, Iowa.

Lee has other interests—NAPP Systems (USA) Inc., which it owns equally with Nippon Paint Co. of Osaka, Japan, and Blackhawk Films. The first manufacturers and sells photopolymer plastic letterpress printing plates and the second produces and distributes vintage motion pictures.

54

The Liberty Corp. □ *Francis M. Hipp, chairman; Herman N. Hipp, vice chairman and chief executive officer.*

Liberty Corp. is headquartered in Columbia, S.C., and is involved in three areas: insurance, its largest operation; banking concerns in the Southwest, and broadcasting, which includes WDSU-TV New Orleans, WTOL-TV Toledo, Ohio, WIS-AM-TV Columbia, WSFA-TV Montgomery, Ala., and WQSR(FM) Sarasota, Fla., which the company added to its portfolio in July 1979 in a $1.9 million deal.

In the past year, the company earned $266,781,000, a 7.5% increase over the previous year's $248,269,000. Profits were up 11.1% to $33,119,000 from $29,801,000. Earnings per share for the last year were $3.69.

87

LIN Broadcasting Corp. □ *Donald A. Pels, chairman and president.*

It was a good year for LIN Broadcasting, which is involved in TV, radio and radio paging. Revenues rose evenly throughout the year ended September 1979, with a total of $56,158,000—14.2% over last year. Earnings, meanwhile, jumped 25.8% to $13,165,000, and earnings per share moved up by more than one dollar, to $4.78.

A major acquisition for LIN last year was Kingstip Communications Inc.—KTVV(TV) and KHFI-FM Austin, Tex. On May 2, 1979, LIN acquired 70% of Kingstip's outstanding shares. It increased its interest in Kingstip in August to 99%, and on Sept. 4 a merger of Kingstip into a wholly owned subsidiary of LIN was effected.

The company attributes its increase in revenues primarily to its broadcasting operations, with television scoring the heavier gains. LIN's other stations are: WAND(TV) Decatur, Ill.; WIL-AM-FM St. Louis; WBBF(FM) and WMJQ(FM) Rochester, N.Y.; WFIL(AM) and WUSL(FM) Philadelphia; KXAS-TV Fort Worth and KILT-AM-FM Houston, and WAVY-TV Portsmouth, Va.

LIN's radio paging operation involves tone-only radio paging, two-way mobile radio telephone and one-way tone-voice paging in the New York City area, as well as satellite tone-only facilities in Connecticut, other New York locations and Houston. Its companies include Page Boy Inc., Aircall New York Corp., Mobile Radio Message Service Inc., and Aircell of Texas Inc.

74

M/A Com Inc. □ *Lawrence Gould, chairman and president; Dana W. Atchley Jr., vice chairman.*

M/A Com, formerly Microwave Associates, is a rapidly expanding company in the areas of telecommunications and electronic equipment. In 1979 M/A Com had a revenue gain of 24.8%, from $99,317,000 in 1978 to $123,981,000 in 1979. Net income showed a 37.3% gain during the past year, rising from $6,095,000 in 1978 to $8,366,000 in 1979.

Part of M/A Com's expansion is due to the acquisition in 1977 of Digital Communications Corp. DCC has more than doubled in revenues since becoming a subsidiary of M/A Com. Early in 1979, M/A Com purchased another manufacturer of electronic equipment, Omni Spectra Inc.

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the government and commercial sectors also contributed to a successful year. M/A Com produces 37% of its income by supplying the government with microwave semiconductors, components and assemblies used in advanced radar, electronic countermeasures and missile guidance systems. Commercial sales accounted for about 10% of M/A Com's overall sales in 1979.

22

MCA Inc. □ *Lew R. Wasserman, chairman and chief executive; Sidney Jay Sheinberg, president and chief operating officer.*

MCA's filmed entertainment operations—primarily Universal Television, Universal Theatrical Motion Pictures, Universal Pictures and MCA-TV—account for approximately 64% of corporate revenues of $1.2 billion for the four quarters ending September 1979. Universal Television is the largest producer of network television series and this spring will have seven-and-a-half hours on all three networks. In 1978, the last full year for which the company has an accounting, television operations contributed 31% of total corporate revenues—versus 28% from the film operations.

For the four quarters ending Sept. 30, the corporation logged a 54% increase in profits—$167 million—from a year ago.

Universal series currently on network television include: *The Incredible Hulk* (CBS-TV), *BJ and the Bear* (NBC-TV), *Buck Rogers in the 25th Century* (NBC), *The Misadventures of Sheriff Lobo* (NBC) and *Quincy, M.E.* (NBC). Joining those in the spring will be *Stone* (ABC-TV) and *House Calls* (CBS).

In addition, MCA-TV, the syndication arm of the corporation's television operations, continued its role in Operation Prime Time, launched to provide first-run syndicated product in 1977.

Theatrical releases last year were led by "The Deer Hunter," "Dracula," "The Seduction of Joe Tynan," "Yanks" and the Christmas releases, "The Jerk" and "1941." Prior to its presentation on both pay and commercial television last year, "Jaws" was rereleased by Universal.

Records and music publishing activities accounted for 12% of corporate revenues in 1978. A money losing operation in a loss-plagued industry, for the nine months ending Sept. 30, the MCA Records and other company labels lost over $15 million. As a result, Infinity Records, which was begun in 1977, was closed down by MCA last fall.

MCA's popular Universal Studio Tour continued to attract record attendance last year, and the corporation has taken an option on 300 acres near Walt Disney World in Orlando, Fla., with plans to build a similar operation there.

MCA also has entered into a joint venture with IBM Corp., DiscoVision Associates, to develop, manufacture and market video disks and players.

Other principal MCA operations include Spencer Gifts Inc., Columbia Savings and Loan Association of California, Yosemite Park and Curry Co., Landmark Service of Washington, G. P. Putnam's Sons book publishers the *The Runner* magazine. *New Times*, formerly published by MCA, ceased publication with its Jan. 8, 1979, issue.

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28

McGraw-Hill Inc. □ *Harold W. McGraw Jr., chairman and president.*

McGraw-Hill is one of the nation's leading publishers of books and trade publications, but, with its four network-affiliated television stations, is becoming a major force in broadcasting as well. The stations are WRTV(TV) Indianapolis; KERO-TV Bakersfield, Calif.; KMGH-TV Denver; KGTV(TV) San Diego. The stations last year expanded their electronic newsgathering capability to all operational areas. Over-all, the company, which is also active in information systems, financial services (Standard & Poor's Corp.) reported revenues of $836,573,000 and net earnings of $74,008,000 for the four quarters ending in September. That compares with figures of $731,633,000 and $60,516,000 for the preceeding four quarters.

77

MCI Communications Corp. □ *William G. McGowan, chairman and chief executive.*

MCI Communications operates a nationwide communications network that provides private-line services for data, visual display and other signal types. A major development in the past year was MCI's victory in court—nailed down only after the case had been considered by the Supreme Court three times—that enables it to compete with AT&T's Bell system for long-distance telephone service offered to businesses. MCI's Execunet long-distance service operates over a network of microwave radio facilities that connect with Bell's local networks. MCI, which entered its 1979 fiscal year on April 1, 1978, with 13,500 intercity circuits installed, ended the year with 21,500 installed. All told, they amount to 10.5 million circuit miles.

MCI reported revenues of $115,187,000 and net earnings of $9,433,000 for the four quarters ending in September, compared with revenues of $81,606,000 and net earnings of $5,566,000 for the preceding 12-month period.

The Top 100

COMPANIES IN ELECTRONIC COMMUNICATIONS

53

Media General Inc. ☐ *D. Tennant Bryan, chairman; Alan S. Donnahoe, president.*

Media General is a diversified communications company with newspaper, broadcast, printing and publishing operations, along with its newsprint subsidiary, which produces through a recycling process about 10% of all the newsprint manufactured in the U.S.

Media General revenues in the year ended Sept. 30, 1979, were up 13% to $269,644,000. Media General made a 48.8% gain on net income to $23,760,000.

The company's newspaper and publishing divisions, which account for about 70% of total revenues, publish six daily newspapers which serve three Southeastern cities and a financial weekly and a medical journal.

The broadcasting division of Media General, providing about 15% of total revenues, consists of WFLA-AM-FM-TV in the Tampa-St. Petersburg, Fla., market and a CATV system in Fredricksburg, Va.

50

Meredith Corp. ☐ *E. T. Meredith III, chairman; Robert A. Burnett, chief executive and president.*

Meredith's major sources of revenue continue to be magazine publishing and printing, with broadcasting making ever-increasing gains.

Revenues for the year ended Sept. 30, 1979, increased 8.4% to $323,773,000, with net earnings jumping 17% to $17,277,000, and record-breaking earnings of $5.57 per share recorded. The company attributes the gains to higher sales and operating profits produced by its printing, magazine and broadcasting operations. The only setback was in book publishing, where poor consumer response to mail order book sales during the first three quarters resulted in sharp declines in that division's profits.

Better Homes and Gardens remains the bulwark of the company. Advertising pages were down from last year, but higher advertising space rates and more four-color pages produced a gain in ad revenue. *Apartment Life*, now a decade old, and Meredith's other magazines showed an increase in advertising pages.

In the broadcasting division, the acquisition of WPGH-TV Pittsburgh was completed, and higher sales of commercial time in both radio and television helped push profits to new highs. The other Meredith stations are: WGST(AM)-WPCH(FM) Atlanta; WNEM-TV Bay City, Mich.; KCMO-AM-TV and KCEZ(FM) Kansas City, Mo.; WOW(AM)-KEZO(FM) Omaha; KPHO-TV Phoenix; and WTVH(TV) Syracuse, N.Y.

41

Metro-Goldwyn-Mayer Inc. ☐ *Fred Benninger, chairman; Frank E. Rosenfelt, president and chief executive officer.*

MGM Inc.'s largest operating division includes hotel and gaming operations, and, reflecting that, the company announced on Nov. 14 that it is studying "the feasibility of restructuring the company into two separate publicly held companies—one consisting of the hotel/gaming operations and the other of filmed entertainment operations." The corporation anticipates acting on the proposal in the spring of 1980.

In fiscal 1979, which ended Aug. 31, the entertainment division accounted for 39% of MGM's total revenues of $491 million and 45% of its operating revenues of $132 million. The division includes MGM's feature film operations, and the 1979 income includes monies recognized from the $35 million license fee CBS-TV has agreed to pay for U.S. television rights to the studio's "Gone With The Wind." That is the largest license fee ever paid for a single film, and the network has rights to 20 airings of the MGM classic.

MGM's television production and distribution division had operating income of $2.6 million on revenues of $33.7 million in 1979. The studio currently has one network series, NBC-TV's *CHiPs*, as well as a number of development projects for NBC and CBS. In association with Aaron Spelling Productions, MGM produced the six-hour *French Atlantic Affair* miniseries for ABC-TV last fall. MGM's syndicated product includes the *Tom and Jerry* animated series.

MGM's hotel and gaming division includes the MGM Grand hotels in Las Vegas and Reno (both of which are undergoing extensive expansion) and a new hotel and casino to be built in Atlantic City.

44

Metromedia ☐ *John W. Kluge, chairman and president.*

Metromedia's business is entertainment and outdoor advertising. But broadcasting remains the mainstay of the company's operations. Metromedia reported revenues of $405,774,000 and net earnings of $38,485,000 for the four quarters ending Sept. 30, 1979, compared with $332,241,000 revenues and $33,419,000 net earnings in the preceding 12 months. Broadcasting revenues account for about half of the company's total, and are generated by seven television stations (all but two of them independent), six AM and seven FM outlets. (FCC regulations would permit the addition of only one more AM). The stations are WNEW-AM-FM-TV New York; WASH(FM)-WTTG(TV) Washington; WTCN-TV Minneapolis-St. Paul; KMBC-TV Kansas City, Mo.; WXIX-TV Cincinnati; KLAC(AM), KMET(FM)-KTTV(TV) Los Angeles; KRIV-TV Houston; WIP(AM)-WMMR(FM) Philadelphia; KNEW(AM)-KSAN(FM) San Francisco-Oakland; WMET(FM) Chicago; WOMC(FM) Detroit; KRLD(AM) Dallas-Fort Worth, and WCBM(AM) Baltimore.

Metromedia's entertainment properties include the Ice Capades; Metromedia Producers Corp., which produces and distributes syndicated television programs, and the Harlem Globe Trotters. And Metromedia's Foster & Kleiser and Metro Transit Advertising divisions operate outdoor and transit advertising businesses in 15 of the leading 25 markets in the country.

13

Motorola Inc. ☐ *Robert W. Galvin, chairman; William J. Weisz, president.*

Motorola, a manufacturer of electronic components and equipment, made a good showing in 1979. Over-all sales made a 22.6% gain from $2,109,451,000 in 1978 to $2,585,579,000 in 1979. Net earnings showed a 24.1% increase during the year, climbing from $122,045,000 in 1978 to $151,514,000 in 1979.

In the Communications group, Motorola took action to counteract a decreased profit margin in 1978 due to several unanticipated cost factors. This group, which accounts for about 44% of total revenues, manufactures two-way radio equipment, TV and microwave systems.

Major contracts awarded Motorola during 1979 included one for $9.2 million by the Chicago Transit Authority for a two-way communications system. A major order of radio pagers was received from Belgium for use in its country-wide paging system.

95

Movielab Inc. ☐ *Saul Jeffee, chairman and president.*

During the past year, Movielab experienced a 17.4% increase in over-all revenues, grossing $33,038,030 in 1979 compared with $28,143,516 in 1978. Including tax reductions, net income showed a 156% gain from $634,134 in 1978 to $1,626,720 in 1979.

Movielab is a leading professional motion picture processor of film used for theater, television, educational and industrial viewing. Among the motion pictures processed by Movielab during 1979 were "The Amityville Horror" and "Love At First Bite." Movielab processing is also identified with television series including *Eight Is Enough, Laverne & Shirley* and *Charlie's Angels.*

73

Multimedia ☐ *J. Kelly Sisk, chairman; Wilson Wearn, president.*

Multimedia's media include 10 daily and 19 nondaily newspapers; five VHF television stations and 12 AM and FM radio stations, most of them in the Southeast. The *Phil Donahue Show*, now seen in 154 television markets, is another Multimedia property. Multimedia reported revenues of $126,809,636 and net earnings of $17,946,601 for the four quarters ending in September. Comparable figures for the preceding 12 months are $105,785,938 and $14,617,306. Broadcasting accounted for more than half of the company's revenues—more than $67 million of the company's revenues in the last four quarters.

The company reduced its broadcast holdings by one when the FCC approved Multimedia's swap of WBIR-AM-FM Knoxville and $1.5 million for Stoner Broadcasting's WVEZ(FM) Louisville. However, awaiting FCC approval is the purchase of WZTV(TV) Nashville from Reel Broadcasting Co. Multimedia's other broadcasting properties are WLWT(TV) Cincinnati; WFBC-AM-FM-TV Greenville, S.C.; WBIR-TV Knoxville; WMAZ-AM-FM-TV Macon, Ga.; WWNC(AM) Asheville, N.C.; WXII-TV Winston-Salem, N.C.; WAKY-TV Louisville, Ky.; KAAY(AM)-KEZQ(FM)

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38

New York Times Co. □ *Arthur Ochs Sulzberger, chairman and president.*

The New York Times Co. is a diversified, publicly owned communications corporation. Its principal interest is publishing the *New York Times*, which ranks second among the three New York dailies in circulation but, since 1918, first in total advertising. Among its other properties are four broadcast stations—WREG-TV Memphis, WQXR-AM-FM New York and KFSM-TV Fort Smith, Ark. The Fort Smith station's purchase was approved by the FCC in August. The company also publishes magazines, books and educational materials, engages in electronic information retrieval and the worldwide syndication of news and features, and owns minority interests in three Canadian newsprint companies. The Times reports revenues of $584,676,000 and net earnings of $27,264,000 for the four quarters ending September 1979, compared with revenues of $518,748,000 and net earnings of $21,002,000 for the preceding year. The Times's performance was adversely affected late in 1978 by an 88-day strike at the *Times* that ended on Nov. 5.

46

A. C. Nielsen Co. □ *A. C. Nielsen Jr., chairman; N. E. Harden, president.*

During the four quarters ending Sept. 30, 1979, total revenues for the A. C. Nielsen Co. rose 22.9% from $323,831,000 during the previous four quarters to $398,106,000. Net income during the same four quarters rose 7.5% from $24,297,000 in the previous four quarters to $26,131,000. The company, which now provides 68 research and information services to 22 countries, has its world headquarters in Northbrook, Ill. Services are now grouped into seven categories: Marketing Research (measuring actual retail sales); Media Research (measuring national and local TV audiences); Clearing House (coordinating coupon redemption between retailers and manufacturers); Neodata (maintaining and updating various types of mailing lists); Custom Research (custom designing research for business organizations); and Petroleum Research (providing information on oil exploration and production).

Newest to A. C. Nielsen are its Dataquest Services which provide information for evaluating technological and marketing developments in a number of industrial markets. Also new to the company is Healthcom Inc., a subsidiary that provides information and billing and inventory control services to drug store pharmaceutical departments. In 1978, A. C. Nielsen acquired Powers Elevation Co., and during fiscal 1979, it acquired Petro Well Libraries, Trollinger Geological Associates Inc., Schmidt & Pohlmann GmbH, Con Quip Consultants and Prime Resources Inc.

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14

North American Philips Corp. □ *Pieter C. Vink, chairman and chief executive; Cees Brynes, president and chief operating officer.*

The average consumer might know North American Philips Corp. best if shown a Norelco shaver or Magnavox color television. But this company—which crossed the $2 billion mark in sales in 1978—offers a variety of products ranging from sodium lamps to fungicides.

For the year through Sept. 30, 1979 Philips earned $2.4 billion in revenues (up 11.8%) and $80.2 million in net earnings (up 22.8%). Earnings per share were $6.17.

Primarily an electronics conglomerate, North American Philips owns Magnavox. Through it, the company not only sells color TV's but has added videodisk players (Magnavision); videocassette recorders; and video game systems (Odyssey). It also sells radios and stereos.

And for broadcasting—behind the scenes—Philips offers TV cameras, monitors, transmitters and microphones. For the cable TV industry, Magnavox has a channel converter and addressable tap system.

North American Philips Corp. is about 62% owned by a trust benefitting shareholders of the Dutch company N.V. Philips.

56

Oak Industries □ *Everett A. Carter, chairman and chief executive.*

Oak Industries enjoyed a successful year (ended September 1979) with revenues of $257,175,000, a 47% increase over the previous year. The most substantial gain, however, has been within the company's net earnings where an increase of 177% occurred. Oak's communications division played a major role in this year's rise in sales and profits, with subscription television as the forerunner in that group.

The units that make up Oak Industries are communications and technology. Subscription television and the materials group are the company's main thrust.

Oak Industries' subscription television service in Los Angeles is believed to be the first and only successful one of its kind. With a growth rate of 10,000 to 12,000 new subscribers each month, Oak's over-the-air STV system is responsible in part for the huge increase in profits for the company this year. Working in conjunction with Time Inc., Oak's STV system is now available in the Phoenix and Ft. Lauder-

dale/Miami areas providing entertainment programing tailored to the local markets.

60

Ogilvy & Mather International □ *John Elliott Jr., chairman; James Benson, vice chairman.*

Though revenues at Ogilvy & Mather were on the climb in 1979 by an expected 20%, net income was running slightly behind 1978 in the first nine months of the year. The agency attributed the fall off in profits to higher effective tax rates in federal, state and local taxes and to a larger foreign tax rate.

Ogilvy & Mather's revenues for BROADCASTING's survey period were $207,867,000, up 19.6% over the comparable period a year earlier. Earnings showed a 5.2% rise, to $12,531,000, with the per share earnings $3.08.

Ogilvy is an international agency with 69 offices in 28 countries and has a staff of about 5,100. Roughly half of the agency's revenues of more than $200 million annually comes from outside the U.S.

In 1978 Ogilvy was in ninth place among broadcast agencies, spending almost $215 million in the U.S. Its roster encompassed such advertisers as American Express Co., Bowery Savings Bank, Campbell Soup, Chesebrough-Pond's, Clairol, General Foods, Hershey Foods, International Playtex, Lever Bros., Menley & James, F&M Schaefer Brewing Co., and Sears, Roebuck & Co.

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51

The Outlet Co. □ *Joseph S. Sinclair, chairman; Bruce G. Sundlun, president and chief executive.*

The Outlet Co., which has been bolstering its holdings in broadcast station ownership, now operates four TV stations, six radio stations and 169 department, women's and men's speciality stores in 20 states and the District of Columbia.

Its more recent station buying and selling:

■ The company executed an agreement with McClatchy Newspapers to acquire KOVR(TV) Sacramento-Stockton, Calif. for a record-breaking $65 million (BROADCASTING, July 9, 1979). Outlet reported that it will hold at least 90% of the stock in a subsidiary corporation: KOVR-TV Inc., and the balance of the stock will be owned by ethnic minority individuals in the Stockton-Sacramento area. The agreement is subject to FCC approval.

■ Outlet Co is exchanging its WJAR(AM) Providence, R.I., for WRLM(FM) Taunton, Mass., subject to FCC approval (BROADCASTING, Oct. 19, 1979).

■ Outlet received FCC authorization to purchase WIOQ(FM) Philadelphia for $6.4 million (BROADCASTING, Sept. 3, 1979). It also received commission approval for the acquisition of WQRS-FM Detroit for $2 million (BROADCASTING, Nov. 26, 1979).

Filling out Outlet Co.'s broadcasting complement are WJAR-TV Providence; WDBO-AM-FM-TV Orlando, Fla.; KSAT-TV San Antonio, Tex.; WCMH-TV Columbus, Ohio; WTOP(AM) Washington and KIQQ(FM) Los Angeles.

Outlet's revenues in the four quarters prior to Oct. 31, 1979, were $312.2 million, up just 1.7% from $307 million in the preceding four quarters. And earnings for the more recent four quarters were $198,000, down sharply from $10,364,000 in the preceding four quarters.

The decline was mostly attributed to reductions in gross margins in the retailing divisions and to lower sales in the specialty stores division.

Outlet also noted that while there was an increase in sales in the broadcasting division during the most recent quarter, there also were one-time expenses incurred in the new *PM Magazine* programing on all its TV stations and in extensive coverage of the Pope's visit and Hurricane David.

85

Post Corp. □ *V. I. Minahan, president; David L. Nelson, executive vice president and treasurer.*

The Post Corp. of Appleton, Wis., owns five television stations, three radio stations, a newspaper group, three commercial printing companies and a TV and film production company in Green Bay, Wis. Post experienced a dip in net earnings last year. The 3.1% loss was on earnings of $3,867,000 for the four quarters ending Sept. 30, 1979, down from $3,990,000 for the previous four quarters. Revenues were $66,508,000 last year, up from $51,574,000 the year before, a 28.9% increase. Post cited three factors responsible for the earnings dip: higher interest costs; higher pension fund costs, and a policy of improving product at several subsidiaries, primarily at WOKR(TV) Rochester, N.Y., where the company is upgrading the news department. Post's other television stations are: KTVO(TV) Kirksville, Mo.-Ottumwa, Iowa; WEAU-TV Eau Claire, Wis.; WLUC-TV Marquette, Mich., WLUK-TV Green Bay, Wis. Its radio properties are: KBIZ(AM) Ottumwa, WAXX(FM) Eau Claire and WAYY(AM) Chippewa Falls, Wis.

3

RCA Corp. □ *Edgar H. Griffiths, chairman and chief executive; Maurice R. Valente, president and chief operating officer.*

RCA's revenues reached $7,323,100,000 in the 12 months ended Sept. 30, 1979, a 14% increase from the year earlier. Net earnings totaled $288,900,000, a gain of 7.5%. Earnings per share for the period were $3.79.

Broadcasting and broadcast equipment have always been—and they remain—among RCA's principal businesses. But in recent years the company's NBC subsidiary has been replaced by another subsidiary, the Hertz Corp., as RCA's number one profit center. When the pending $1.35-billion acquisition of the CIT Financial Corp. is completed, broadcasting may slip down into third place, for CIT's 1978 earnings of $86.5 million slightly exceeded Hertz's. RCA bought 10,190,000 or 49% of outstanding CIT shares in a tender offer at $65 a share in November, and a tender offer for the remaining shares, also at $65 a share but payable in RCA stock rather than cash, is expected next month.

In addition to the CIT acquisition, RCA announced plans to sell its Banquet Foods and Random House subsidiaries. The foods and publishing companies are "highly successful," RCA said, but "not in industries that relate to our strategic plan for RCA's long-range development"—a consideration that led to the sale, earlier in 1979, of the RCA Alascom telephone company for $209 million. For the future, the company intends to concentrate on four basic areas: The Hertz operations, NBC, financial and consumer products and services and electronics and communications.

Broadcasting in 1978 accounted for about 18% of RCA revenues and 23% of pretax profits. The Hertz car-rental operations represented 14% of revenues and 30% of pretax profits. Consumer electronic products and services produced about 26% and 32%, commercial electronic products about 13% and 17%, communications (including RCA Global Communications and RCA American Communications), 5% and 13%, and government systems and services, 8% and 4%.

RCA is also a leading marketer of home videocassette recorders, under the SelectaVision label, and announced in December that it would go to market early in 1980 with its SelectaVision videodisk player and related programing.

RCA-NBC broadcasting interests include the NBC Radio network, NBC-TV network, The Source radio network; five TV stations (WNBC-TV New York, WRC-TV Washington, WMAQ-TV Chicago, WKYC-TV Cleveland and KNBC[TV] Los Angeles), and four AM-FM combinations (WNBC[AM]-WYNY[FM] New York; WRC[AM]-WKYS[FM] Washington; WMAQ[AM]-WKQX[FM] Chicago and KNBR[AM]-KYUU[FM] San Francisco).

5

Rockwell International Corp. □ *Robert Anderson, chairman and chief executive; Donald R. Beall, president and chief operating officer.*

Rockwell's 39 U.S. operations and 27 foreign subsidiaries and affiliates combined to give the company revenues of $6,254,600,000, up 16.2%. And earnings for the same period rose 47.8% to $261,100,000 while per share earnings increased 46% to $7.33.

Some of the company's products include its Electronics group's new bubble memory device for computers and microprocessor-based equipment and digital microwave systems; the Commercial Telecommunications group's production and installation of microwave equipment for the Saudi Arabian intra-kingdom communications network and construction of a microwave manufacturing facility in Korea. It also completed work on the construction of 158 satellite earth stations for the Corporation for Public Broadcasting.

47

Rollins Inc. □ *O. Wayne Rollins, chairman*

and chief executive officer; R. Randall Rollins, president and chief operating officer.

Rollins is a diversified service-oriented company with almost half of its revenues coming from its termite and pest-control activities. Its media operations, which account for about 15% of Rollins's revenues, include three TV, one FM and five AM stations, two cable TV systems and outdoor advertising facilities.

The broadcast properties are WCHS-AM-TV and WBES(FM), all Charleston, W.Va.; WEAR-TV Pensacola, Fla., WPTZ(TV) Plattsburgh-North Pole, N.Y.; KDAY(AM) Santa Monica, Calif.; WAMS(AM) Wilmington, Del.; WBEE(AM) Harvey, Ill., and WRAP(AM) Norfolk, Va. The CATV's are in Wilmington and New Haven, Conn.

Other major segments of Rollins: Orkin Exterminating Co., which provides protection against termites, rodents and other insect pests; Rollins Protective Services, which installs and maintains security and protection systems in homes and businesses; Patterson Services, supplier of equipment and services to offshore oil and gas field operations; Rollins Services, custom janitorial and housekeeping services, and Carole Fabrics, wholesale custom drapery and fabric company.

Rollins's earnings for the four quarters that ended Sept. 30, 1979, were $30,576,451 on revenues of $356,571,528. In the preceding four quarters earnings were $27,554,075 on revenues of $307,203,396.

In releasing its annual report for the company's fiscal year that ended last June 30, Rollins pointed out that for 19 consecutive years, since the company became public, profits had increased every year.

89

San Juan Racing Association Inc. □ *H. N. Glickstein, president and chairman of executive committee.*

Revenues totaled $46,427,316 for the four quarters ending Sept. 30, 1979, a 19.8% increase over revenues for the preceeding four quarters. Net income was $4,870,026, up 201.6%, due in large part to SJR Communications Inc.'s WKTU(FM) New York, which had a 637% increase in net income before taxes in fiscal 1979.

In addition to WKTU, which, during much of last year was rated New York's number one radio station, SJR owns nine other major-market stations: WJIT(AM) New York, WUST(AM)-WJMD(FM) Washington, WKLS-AM-FM Atlanta, WQAL(FM) Cleveland, WYSP(FM) Philadelphia, KRLY(FM) Houston and KNUS(FM) Dallas. It sold WTMI(FM) Miami in March 1979.

A subsidiary of SJR sold the Washington Diplomats Soccer Club in October 1978, ending operating losses incurred since it acquired the club in 1975.

San Juan Racing's communications division has in past years trailed its race track division in revenues and income, but for the four quarters ending Sept. 30, 1979 and for the preceeding four quarters, SJR Communications outpaced the track in income. Revenues for the four quarters ending Sept. 30, 1979 were $24,746,-010 from the track and $12,691,306 from SJR, while net income was $593,864 from the track and $3,095,561 from SJR. For the previous four quarters revenues from track and SJR were $23,104,986 and $15,679,698, respectively, while net earnings were $583,552 and $1,966,-195.

In late October 1979, the Roy E. Disney family's Shamrock Broadcasting Co. offered to buy all of SJR's radio stations and certain related broadcasting assets for $62 million plus assumption of approximately $5 million of related bank indebtedness. The form of the transaction has not yet been determined.

21

Schering-Plough Corp. □ *W. H. Conzen, chairman; Richard J. Bennett, president and chief executive.*

Although this Kenilworth, N.J.-based company owns 10 radio stations through its Plough Broadcasting, its bread and butter is ethical and proprietary drugs, cosmetics and toiletries.

Revenues last year were up 28% to $1,370,-976,000, while profits for the same period jumped nearly 15% to $216,571,000. Earnings per share during the year were $4.03.

The company purchased two pharmaceutical operations last year, one in Argentina and one in England, and it is constructing a new one in Puerto Rico. Its broadcast holdings, however, did not increase, and the FCC approved the sale of the company's Boston stations, WACQ(AM)-WTTK-FM.

Its radio properties include: WPLO(AM)-WVEE(FM) Atlanta; WCAO(AM)-WXYV(FM) Baltimore; WJJD(AM)-WJEZ(FM) Chicago; WMPS(AM)-WHRK(FM) Memphis, and WSUN(AM) St. Petersburg-WQXM(FM) Clearwater, Fla.

68

Scientific-Atlanta Inc. □ *Sidney Topol, chairman and president.*

Headquartered in Atlanta, this equipment manufacturer has been an early and leading participant in satellite communications through its production of earth station antennas and ancillary products. In March of 1979, S-A began operations at a new 112,000 square foot plant designed for the mass production of satellite antennas, with an average of 100 units a month. The company's line of products includes earth station electronics, and for CATV systems: head end equipment, distribution amplifiers and converters. S-A made headlines in 1979 when its Homesat subsidiary began offering, through the Neiman-Marcus retail organization, satellite receiving dishes for private individuals. S-A has also manufactured several hundred satellite stations for Comsat's Marisat communications system. Prior to 1970, the bulk (95%) of S-A's business was with the government, now that percentage is approximately 20%. The company expects the "electronic warfare" market "to expand significantly in the 1980's." Several Scientific-Atlanta subsidiaries are active in the electronic instrumentation field, with vibration analyzers and digital component test devices among their products. Other S-A endeavors include furnishing wireless devices for the Rollins Protective Services home security service, and manufacturing energy load management equipment.

In the fourteen months ending November 1979, Scientific Atlanta raised approximately $35 million through stock offerings, monies which it intends to use to finance the expansion of its cable and satellite antenna facilities.

Scientific-Atlanta's revenues for the year ending September 1979 were $142,876,000, a 43.7% jump over the year earlier. Earnings were up by an even greater percentage, 57.7%, to $8,382,000. On a per-share basis, the increase was 28.1%, to $1.87, which reflected growth in common shares outstanding.

84

Scripps-Howard Broadcasting Co. □ *Jack R. Howard, chairman; Donald L. Perris, president.*

Scripps-Howard is a Cincinnati-based group owner of six television and three radio stations. During the past year, television generated approximately 95% of the company's total revenues. But Scripps-Howard's latest acquisition is in radio: It has purchased, subject to FCC approval, WITH-AM-FM Baltimore from Reeves Telecom, although it is selling the AM to comply with the FCC's multiple ownership rules. Its other radio stations are WMC-AM-FM Memphis and WNOX(AM) Knoxville, Tenn. Its television stations are WCPO-TV Cincinnati; WEWS(TV) Cleveland; KTEW(TV) Tulsa, Okla.; WPTV(TV) West Palm Beach, Fla.; WMC-TV Memphis, and KBMA-TV Kansas City, Mo. Scripps-Howard also plans to get into the cable television business, and last year, it entered into a partnership with American TransCommunications of Greenwich, Conn., and Cablevision, a Long Island-based company. It has applied for the cable franchise in lower Fairfield County, Conn. Scripps-Howard's parent company, E.W. Scripps Co., is a major newspaper owner.

Revenues for the four quarters ended Sept. 30, 1979, were $69,245,237. This was an increase of 12.3% over the previous four quarters of $61,606,583. Net earnings were $15,653,180, up 13.6% from the earlier four quarters of $13,-772,104.

90

Sonderling Broadcasting Co. □ *Egmont Sonderling, chairman and president.*

During the year, the Miami-based group broadcaster saw revenues rise 7.8% to $41,528,099, while net earnings over the same period were up 8.3% to $3,511,034.

In addition to its broadcast properties, Sonderling also operates movie theaters and drive-ins in New England and upper New York state, and its MGS Services, a fully-owned subsidiary, duplicates and stores filmed and taped TV commercials, programs and radio commercials.

In June 1978, the company entered into an agreement to merge into Viacom International Inc. Under the terms of the agreement, Sonderling will spin off its motion picture operation and WOPA(AM)-WBMX(FM) Oak Park, Ill. (Chicago) to Egmont Sonderling, who, with

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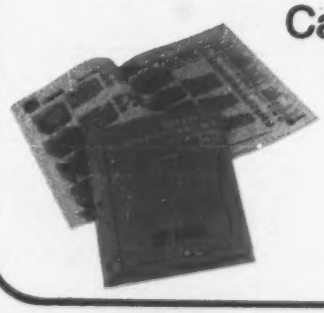

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other members of his family, owns about 25% of the company.

Last November, the FCC approved the transfer of control of Sonderling's stations pursuant to the merger. But a class action suit filed last year alleges that the proposed split-off and merger are unfair to Sonderling's stockholders, and seeks to enjoin consummation of the deal. As it stands now, the companies are awaiting final determination by the Delaware courts where the suit was filed, and a supplemental ruling by the Internal Revenue Service, but Sonderling expects that the merger will be consummated early this year.

The company's other broadcast properties include: KDIA(AM) Oakland, Calif.; WMZQ(FM) Washington; WAST(TV) Albany, N.Y.; WWRL(AM) and WRVR(FM) New York; WDIA(AM) and WQUD(FM) Memphis; and KIKK(AM) Pasadena, Tex.-KIKK-FM Houston. In addition, the FCC in 1979 approved the sale of its WDAS-AM-FM Philadelphia, and it also sold WOL(AM) Washington for $950,000 under the FCC's distress sale policy.

12

Sony Corp. □ *Akio Morita, chairman and chief executive; Kazuo Iwama, president and chief operating officer.*

Sony's revenues for the year ending October 1979 were up 20%, to $2,690,000,000, from $2,240,000,000 the year earlier. However, earnings were off 31.5%, dropping from $108,300,000 to $74,100,000. Per share figures declined from $.50 to $.34. A recurring problem for Sony that impacts the company's earnings is foreign exchange loss or gain generated by changes in the exchange rate between yen and dollars: foreign exchange loss in 1979 was $129,600,000, while in 1978 the company benefitted from a foreign exchange gain of $91,500,000.

Sony Corp., the Japan-based manufacturer of electronics equipment, operates in this country under the aegis of its subsidiary Sony Corp. of America. That outfit is, in turn, divided into three separate companies concentrating on specific product lines: Sony Consumer Products Co., which includes Betamax video recorders among its range of products; Sony Video Products Co., which markets Sony's professional and industrial video lines; and Sony Industries, which handles professional and consumer audio equipment, business communications devices and magnetic tape.

The past year has seen a number of significant developments for Sony on the video front. The company introduced the Betascan feature in its videocassette recorders, giving them a technical advantage (fast foward and reverse speeds that still show a recognizable image on the screen) over VHF format units that Sony hopes will translate into consumer purchases. This past October, Sony received a favorable California Federal District Court ruling in the "Betamax Case," the copyright suit brought by motion picture companies Universal and Disney that struck at the heart of the home video recorder market: taping off-the-air by consumers. In the home videodisk area, Sony and N.V. Philips announced a patent exchange agreement that covers optical audio and video disk systems. Also, Sony shared an engineering Emmy with Ampex for the development of the compatible one-inch type C format for professional video recording.

Sony has made major commitments to manufacturing in the United States, with a San Diego color television plant whose annual unit volume is 500,000 and a Dothan, Ala., tape facility that turns out 500,000 videocassettes a month. It also is involved in several joint ventures with American companies in Japan, including CBS/Sony, Sony/Tektronix and Sony-Everready projects. The CBS/Sony records business had about $170 million in sales in 1978. Departing from electronics-related fields, Sony and the Prudential Insurance Co. have announced the formation of another joint venture, to begin operations later this year.

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64

Storer Broadcasting Co. □ *Peter Storer, vice chairman and chief executive officer; Bill Michaels, chairman and chief financial policy officer; Terry H. Lee, president and chief operating officer.*

Storer Broadcasting's net earnings climbed 42.17% and revenues 21% in the 12 months ended Sept. 30, 1979. Earnings reached $26,424,000, revenues $170,797,000. Earnings per share were $5.18.

Storer over the past year has been a company in transition. In December 1978, after years of agonizing over what to do about its radio stations, the company decided to sell them and concentrate on cable TV and its seven television stations. Four of the five remaining Storer radio outlets, built up over more than 50 years in the radio business, were sold in 1979, subject to FCC approval, at prices totaling $42 million. The fifth, WLAK(FM) Chicago, acquired in 1978 for $4.25 million, is expected to be put on the market after Storer has held it for three years as required by the FCC.

In moving out of the radio business, Storer emphasized it was motivated by "a particular situation"—the need for large sums for a cable expansion program that already had accelerated "far beyond our hopes and expectations." In 1979, Storer announced a $250-million cable

expansion program and, later, secured $120 million in long-term financing for its cable ventures in September. The company currently has cable systems serving more than 325,000 subscribers in 16 states. In 1978, cable accounted for about 18% or $26.5 million of revenues and 17% or $6.5 million of operating profits. The broadcast stations, by comparison, represented 79% or $118.4 million of revenues and 91% or $35.7 million of profits, with most of both revenues and profits presumably from TV. Other broadcast-related businesses, chiefly the Storer Television Sales subsidiary, yielded about 3% or $4.8 million of revenues and almost 5% or $1.9 million of operating profits.

Storer's television stations are WAGA-TV Atlanta, WSBK-TV Boston, WJKW-TV Cleveland, WJBK-TV Detroit, WITI-TV Milwaukee, KCST-TV San Diego and WSPD-TV Toledo, Ohio. The company's sale of WSPD(AM) Toledo to Wood Broadcasting for $3.3 million was approved by the FCC in November 1979. Still awaiting FCC action are its sales of WGBS(AM)-WLYF(FM) Miami and WHN(AM) New York.

61

Taft Broadcasting Co. □ *Charles S. Mechem Jr., chairman; Dudley S. Taft, president.*

Taft has pursued an active acquisition program in recent years. In its fiscal year ended March 31, 1979, almost half of its revenues derived from broadcasting; about one-fourth from its TV and motion picture production and distribution operations and almost one-fourth from its amusement parks. The broadcasting and production/distribution shares are likely to grow significantly. In April, the company bought 81% interest in QM Productions, a leading production company with a film library containing over 1,000 hours of prime-time programing, for $12 million, and in September Taft acquired Worldvision Enterprises, said to be the world's largest privately owned TV distribution company, in a stock deal valued at $14.2 million. The Worldvision purchase strengthened Taft's position in international as well as domestic television sales, providing nine overseas offices as well as four in the U.S. In broadcasting, it consummated its $15.5 million purchase of WDCA-TV Washington in August (although that acquisition is being opposed in court) and, earlier, bought WDAE-FM Tampa, Fla., for $5.5 million to go with WYNF(FM) St. Petersburg, which it acquired in September 1978 for $2 million.

Taft also announced plans for expansion of its amusement park interest by building, as 75% owner in a partnership with the Great-West Life Assurance Co. of Canada, a major regional theme park in Toronto, at a total investment of $105.8 million (Canadian). The park, "Canada's Wonderland," is scheduled to open in 1981. The company's existing parks are Kings Island, a wholly owned subsidiary near Cincinnati, and three in which it is in partnership with the Kroger Co.: Kings Dominion, near Richmond, Va.; Carowinds, near Charlotte, N.C., and Hanna-Barbera's Marineland, which opened under Taft management in May 1978.

The Taft stations are WBRC-TV Birmingham, Ala.; WGR-AM-TV and WGRQ(FM) Buffalo, N.Y.; WKRC-AM-TV and WKRQ(FM) Cincinnati; WTVN-AM-TV and WLVQ(FM) Columbus, Ohio; WDAF-AM-TV and KYYS(FM) Kansas City, Mo.; WTAF-TV Philadelphia; KQV(AM)-WDVE(FM) Pittsburgh; WDAE(AM)-WYNF(FM) Tampa-St. Petersburg and WDCA-TV Washington.

Taft's production/distribution operations, in addition to the Worldvision and QM acquisitions, include Hanna-Barbera Productions; Hanna-Barbera Enterprises; Taft, H-B Program Sales; Solow Production Co.; Cinemobile Systems and the Sy Fischer Co. Other Taft interests include Kings Island Inn, Kings Island Real Estate Co., Jack Nicklaus Golf Center (a partnership), Taft Travel Agency and operation of the College Football Hall of Fame.

Taft reported a 17.6% gain in net earnings on a 23.54% rise in revenues in the 12 months ended Sept. 30, 1979. Earnings were $24,399,000; revenues $194,866,000. Earnings per share were $3.40.

69

Technical Operations Inc. □ *C. Vincent Vappi, chairman; Marvin G. Schorr, president.*

Technical Operations, based in Boston, has three groups: a construction business, operating in the Northeast and Rocky Mountain area; the technology group, which makes solid state controls for electric vehicles; nondestructive nuclear testing radiation monitoring equipment, and the broadcasting group, McCormick Communications (of which Tech Ops owns 80%). Although the construction group provides Tech Ops with most of its revenues, the broadcasting group continues to grow, and last year, it bought WFOG-AM-FM Norfolk-Suffolk, Va. It also owns WLKW-AM-FM Providence, R.I., and WJYE(FM) Buffalo, N.Y. Tech Ops reports it is actively looking to acquire additional broadcasting properties.

Last year, the company's revenues were up 48.3%, from $92,017,000 to $136,508,000. Net earnings were also up: 95.7%, from $949,000 to $1,858,000.

29

Tektronix Inc. □ *Howard Vollum, chairman; Earl Wantland, president and chief executive.*

This manufacturer of sophisticated electronic equipment had its last decline in earnings or sales in 1971. Since then, it's been steadily reporting increases. This year was no exception. Revenues were up 31.1% to $835,554,000 from the year earlier total of $637,324,000. It posted earnings of $81,475,000, up 38% from the previous figure of $59,052,000. Per share earnings rose from $3.31 last year to $4.51, a 36.3% rise.

The company has two major divisions—test and measurement products and information display equipment. Test and measurement sales account for about 78% of the company's total sales and includes oscilloscopes, plug-in instrument systems, spectrum analyzers, pulse generators, amplifiers, logic analyzers, cable testers, power supplies, probes, attenuators and waveform cameras. For the television industry, the group makes waveform and picture monitors, signal generators and vectorscopes for testing and displaying the quality of video transmissions.

The information display group, which contributed approximately 22% of the firm's net sales, manufactures graphic computer systems utilizing CRT's, microprocessors and keyboards. This division also includes the Grass Valley Group, which makes television routing switchers and special effects systems for TV production.

83

Tele-Communications Inc. □ *Bob Magness, chairman; John C. Malone, president and chief operating officer.*

TCI Inc. has two major business concerns. Its cable TV business, Community Tele-Communications Inc. (CTCI) and its microwave division, Western Tele-Communications Inc. (WTCI). For the past several years, including 1979, the cable division has accounted for 90% of revenues while microwave accounted for the remaining 10%.

In the first quarter of 1979 TCI consolidated its TV cable affiliate, Athena Communications Corp., which accounts for the extraordinary 649% increase in net earnings from 1978 to

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1979. Athena sold some 543,300 shares (out of a total 765,000 shares owned) of Resorts International, an Atlantic City, N.J., casino operator, yielding net proceeds in excess of $20 million. Revenues for the four quarters ended September 1979 were $83,321,000, up 30.9% from the same period last year. Basic cable subscriptions increased 14.3% from 700,000 in 1978 to 800,000 in 1979.

The microwave division operates 16,000 miles of microwave communication. WTCI's revenues come mainly from cable TV outfits (including CTCI) and network broadcasters.

65

Teleprompter Corp. □ *Jack Kent Cooke, chairman and chief executive; Russell Karp, president and chief operating officer.*

Teleprompter Corp. is the nation's largest cable television company with about 1,200,000 subscribers to 114 systems in 32 states. Teleprompter also owns Muzak, which supplies background music to commercial and industrial establishments, and Filmation Associates, a major supplier of children's TV programing. Revenues for the twelve months ended Sept. 30 were $165,686,000, up 15.8% from $143,092,000 a year earlier. Net income also increased to $12,056,000, from $10,981,000.

Teleprompter used all of its outstanding debt to finance the expansion of its cable television operations, especially its 50% owned Manhattan and Los Angeles systems. It believes the Los Angeles system will become profitable this year, but says the Manhattan system needs additional subscribers and rate adjustments and profits are not expected in the near future.

Besides the partly-owned systems in Manhattan and Los Angeles, Teleprompter has systems in cities such as Mobile, Ala.; Oakland, Calif.; St. Petersburg, Fla.; Duluth, Minn.; Reno; Seattle, and El Paso, Tex. Through its company-owned operations and franchises, Muzak serves all major cities in the United States and Canada and more then 100 cities throughout the world. Filmation supplies CBS with its *Fat Albert* series and NBC with *Flash Gordon.*

In the past year, Teleprompter acquired a 50% interest in Viacom's Showtime, the nation's second largest pay cable programing network.

58

J. Walter Thompson Co. □ *Don Johnston, chairman and chief executive; Wayne Fickinger, president and chief operating officer.*

J. Walter Thompson Co. continues as America's largest advertising agency on a worldwide basis with revenues of $242,597,000 in the year ended September 1979, 12.4% higher than a year earlier. Earnings were up 6% to $12,820,000.

In the past year it has acquired an agency in Britain and others in Holland and Singapore. Its expansion plans include the U.S. too: in September JWT entered into an agreement to buy World Wide Agency Inc., said to be the largest recruitment advertising agency with 1979 billings estimated at more than $70 million. The transaction is expected to be completed this month.

A significant personnel change was made in December when Wayne Fickinger was advanced from president and chief operating officer of North American operations for JWT to president and chief operating officer worldwide.

JWT is regarded as runner-up only to Young & Rubicam in domestic billings and in TV-radio billings. In 1978 it reported broadcast billings of $495.1 million from a host of accounts, including National Airlines, Goodyear Tire & Rubber, Schlitz Brewing, Pepsi-Cola (various brands), Ford Motor, Seven-Up, Burger King, Quaker Oats, Sears Roebuck and Gillette.

7

3M Co. □ *Raymond H. Herzog, chairman; Lewis W. Lehr, vice chairman and chief executive officer.*

This diversified company has nine major product divisions that produced sales of $5,261,745,000, up 17.4% from the year earlier. Earnings totaled $635,225,000, a 21% gain and per share earnings rose 20.2% to $5.42.

The recording materials division manufacturers a broad range of magnetic audio and video recording tape for commercial broadcasting and home markets as well as disks and cartridges for computer applications and is developing recording systems using digital audio technology. The division contributes about 9% of the company's total sales.

3M's other division's include abrasives, adhesives, building services and chemicals; advertising services and protective products; business products; consumer products, electrical products; health care products and services; photographic, printing, industrial graphics and static control systems.

16

Time Inc. □ *Andrew Heiskell, chairman and chief executive; James R. Shepley, president and chief operating officer.*

Time Inc. revenues jumped substantially—52.9%—this year over the comparable year-ago period, due in part to the added sales generated through the acquisition of American Television & Communications Corp., a major cable MSO, and to the increased fortunes of Home Box Office, a pay-cable program operation. But the purchase of ATC, in November 1978, also worked to hold the earnings increase down to 15.2% for the same period. Time revenues for the year ended Sept. 30 were $2,329,075,000 ($1,523,100,000 the year before) and profits were $137,887,000 ($119,643,000 year before).

The bulk of Time business is in media—book and magazine publishing, over-the-air television (WOTV Grand Rapids, Mich.), cable television, TV production and pay-cable programing. In the past year, the firm also made an attempt to enter the subscription-TV market through a 50% purchase of WSNS Chicago, a pay-TV facility, but backed out of the deal when regulatory complications set in. Time says, however, that it "will continue to pursue other interests in over-the-air subscription TV." Time is also heavily involved in "forest products," producing paper, building products and containers and container board.

20

Times Mirror Co. □ *Franklin D. Murphy, chairman and chief executive; Otis Chandler, vice chairman.*

The Times Mirror Co. has been known mainly for its newspapers—its principal and original one is the *Los Angeles Times*—but it has been diversifying since 1948, when it acquired part ownership of a paper company. Today, it has substantial interests in newsprint, information services, cablevision and television. And its television interests—which now include KDFW-TV Dallas-Fort Worth and KTBC-TV Austin, all Texas—will include five more stations if the FCC approves Times Mirror's purchase of the properties from Newhouse Broadcasting Corp. for $82,300,000. The stations are WAPI-TV Birmingham, Ala.; KTVI(TV) St. Louis; WSYR-TV Syracuse, N.Y.; WSYE-TV Elmira, N.Y.; a satellite of WSYR-TV; and WTPA-TV Harrisburg, Pa. Overall, Times Mirror reported revenues of $1,566,266,000 for the four quarters ending Oct. 7, 1979, and net earnings of $157,159,000. The comparable figures for the preceding year were $1,378,210,000 and $120,055,000.

9

Transamerica Corp. □ *John R. Beckett, chief executive and chairman; James R. Harvey, president.*

United Artists Corp. may be one of the leading entertainment companies in the country but its revenues and earnings represent only a minority share of its parent's gross.

It is part of Transamerica Corp., first and foremost an insurance company through Occidental Life and other subsidiaries. The conglomerate also is involved in lending; real estate services; travel (Transamerica Airlines and Budget Rent a Car); computer business services; manufacturing (Transamerica Delaval energy products), and equipment leasing (Transamerica Interway).

The United Artists subsidiary primarily is known for its worldwide theatrical film distribution. Films in 1979 included "Manhattan," "Hair," "Moonraker," "Rocky II" and "Apocalypse Now," among others.

UA also licenses films for television and syndicates programs. Among its syndicated offerings last year was a *Pink Panther* series. Other UA activities include pay-cable film licensing, merchandise licensing and music publishing.

With the sale of WRIK-TV Ponce, P.R., in January 1979, UA was out of the broadcasting business. It previously sold its only other broadcast properties: WUAB(TV) Lorain, Ohio, and WWSH(FM) Philadelphia.

Transamerica's third quarter 1979 (the most recent accounted) was the company's best ever, with consolidated net income at $65,453,000. United Artists, however, for the quarter and nine month earnings were said to be "down somewhat from last year's record due to increased production, promotion and interest costs."

Transamerica Corp., in its latest annual report, said that its outlook "is positive. We are stronger financially than we have ever been." For four quarters through Sept. 30, that strength meant revenues were up 13.2% to $3.9 billion; net earnings rose 13.9% to $231.5 million, and earnings per share were $3.52.

93

Turner Broadcasting System Inc. □ *R.E. (Ted) Turner, chairman and president.*

The former Turner Communications Corp. is now Turner Broadcasting System, with the call letters of the well known superstation WTCG(TV) Atlanta, changed to WTBS(TV). The company is "firmly committed to the future of cable television," and is making substantial investments in that area. WTBS is now available for viewing in approximately 5 million homes—more than twice the number of a year ago. The Cable News Network, scheduled to begin programing June 1, will offer 24-hour news coverage. More than 80 systems have already signed up for the service, and Bristol-Myers has made a 10-year, $25-million advertising commitment.

With the sale of its WRET-TV Charlotte, N.C., which is expected to close next year, Turner's remaining broadcast property is WTBS. Although revenues and earnings for WTBS are up since last year, the company's over-all net earnings were down, with a reported loss of $2,173,000. The decrease in earnings was attributed to a poor season for the Atlanta Braves, the company's baseball team, and a loss recorded by its professional soccer team, the Atlanta Chiefs. Turner's other sports interest is the Atlanta Hawks basketball team.

36

20th Century-Fox Film Corp. □ *Dennis C. Stanfill, chairman and chief executive officer; Alan J. Hirschfield, vice chairman and chief operating officer.*

For the four quarters ending Sept. 29, Fox's

revenues have managed to stay 6% above the record-breaking period of a year before, but earnings, reflecting the absence of any substantial profit-making theatrical release, are 16% below where they were last year. And within the last year, Fox has had noticeable problems in its executive offices—especially the much publicized departure of Alan Ladd Jr. and two other executives from the company's feature film division.

Within the past year, major films to come out of the Fox studio have included "Alien" and "Breaking Away." Over the summer Fox rereleased "Star Wars"—the most successful film ever made in the U.S.

As a major supplier of programing for network and syndicated television, Fox estimates that it will receive approximately $62 million in revenues and $36 million in pretax profits from its licensing agreements with CBS-TV and NBC-TV and the syndication of its hit series, *M*A*S*H*, in fiscal 1979. The television division also placed Fox's second network series on CBS this year with *Trapper John, M.D.* Television programs contribute approximately 13% of total corporate revenues.

Fox is also a major television broadcaster with KMSP-TV Minneapolis, KTVX(TV) Salt Lake City and KMOL-TV San Antonio, Tex.—all operated by Fox's United Television Inc. subsidiary. The three VHF stations contribute approximately 5% of the corporation's revenues.

The corporation's film processing division, Deluxe General Laboratories, contributes approximately 3% of total revenues. The record and music publishing division contributes approximately 1% (although registering a $605,000 loss for the nine months ending Sept. 29).

Other Fox subsidiaries include its international theaters division, Coca-Cola Bottling Midwest, Aspen Skiing Corp. and Pebble Beach Corp.

91

UA Columbia Cablevision Inc. □ *Robert M. Rosencrans, chief executive and president.*

UA Columbia has remained solidly in the cable television industry since its founding in 1962. It serves 126 communities in 15 states, reaching over 300,000 homes. Although basic cable service is the company's primary thrust, pay cable is its profitable ancillary.

Gross revenues for the 12 months ended Sept. 30, were $40,045,000, up 37% from a year earlier, yielding a net income of $4,175,000, up 27% from 1978. The rise is attributed to the increase in both basic and pay cable subscribers. UA Columbia subscribers total 301,273, up from 250,325 a year ago. Pay subscribers account for 152,000 of the total up from 85,000.

Much of the effort in 1979 was devoted to expanding its franchises in northern and western New Jersey and Westchester county, N.Y. UA Columbia recently acquired a franchise in San Antonio, Tex., and hopes to generate 45,000 subscribers for this coming year. It will also increase its satellite distribution of sports and children's programing.

94

United Cable Television Corp. □ *Van Irvine, chairman; Gene W. Schneider, president and chief executive officer.*

United Cable, as one of the larger cable multiple system operators, reflects the health of the business in its corporate balance sheet. For the four quarters ending August 1979, the company reported revenues of $34,541,000, an increase of 57% or $12,543,000 over a comparable period a year earlier. And the increase in earnings was even more dramatic, jumping 92%—from $2,404,000 to $4,616,000—over the same periods.

As of October 1979, United Cable was operating 30 systems, serving 277,000 basic subscribers and 115,000 premium customers. (The systems pass 505,000 homes.) At that time the company was also in the process of building systems in Boise, Idaho; Lincoln Park, Mich., and Bellevue, Neb. According to Mark Van Loucks, vice president of marketing, the company has no other franchises, but is seeking more. Loucks said that the company has submitted franchise proposals for Omaha, Neb., and a number of Chicago suburbs. Loucks said the company is interested in many other markets, but wouldn't say where because of competitive reasons.

As far as diversification is concerned, United Cable is strictly cable. It has, however, made plans to enter a related business—subscription television. To that end, it has applied for stations in Atlanta, Indianapolis, New Orleans and San Antonio, Tex.

40

Varian Associates □ *Edward K. Ginzton, chairman; Norman F. Parker, president and chief executive officer.*

Varian's five product groups posted combined revenues of $493,021,000—25.1% greater than the $394,255,000 a year before. However, net earnings for the year dipped 29.2% to $8,581,000 from $12,112,000 due primarily to a $10.2 million loss from discontinued operations in the quarter ended Dec. 29, 1978. Per share earnings figured out to $1.13, down 29.9% from the $1.61 posted a year earlier.

The company includes, in addition to international operations, the following groups: Electron Devices, Industrial Equipment, Instruments, Medical and Information Systems. Two of these, the Electron Devices group and the Information Systems group, are of particular interest to the broadcasting industry; they produce vacuum tubes, magnetic components, solid state devices and subsystems used to power satellite communications, broadcast and point-to-point communications.

60

Viacom International Inc. □ *Ralph M. Baruch, chairman and chief executive officer; Terrence A. Elkes, president.*

Viacom International has had record revenues and earnings for seven consecutive years through 1978. And strong growth continues. Revenues, for the 12 months through Sept. 29, grew 34.7% to $100.1 million, with net earnings up 69.3% to $10.8 million. Earnings per share were $2.24.

For the first nine months of 1979, close to two-thirds of Viacom International's record revenues ($77,259,000) came from the cable industry and another third was from program distribution. The remaining contributor, about 5.6%, was from broadcasting and the ownership of WVIT(TV) New Britain, Conn.

A fourth quarter development, however, should change that percentage dramatically. From single-station owner, Viacom became a group broadcaster, with FCC approval of the merger of Sonderling Broadcasting into Viacom. For about $32 million, Viacom now controls WMZQ(FM) Washington; WWRL(AM)-WRVR(FM) New York; WDIA(AM)-WQUD(FM) Memphis; KIKK(AM) Pasadena, Tex.; KIKK(FM) Houston; KDIA(AM) Oakland, Calif., and WAST(TV) Albany, N.Y., as well. It also gained Bernard Howard Co., a radio rep firm.

On the television syndication side, Viacom Enterprises is a leading distributor with such titles as *Family Feud, Mary Tyler Moore, Bob Newhart, Price is Right, $25,000 Pyramid,* among others. Internationally, among the offerings, for example, are *Lou Grant* and *Hawaii Five-0.* There are also feature films. The company also has been branching out into production with such properties as the co-produced award-winning ABC Movie "A Question of Love" and the ill-fated *Lazarus Syndrome* on ABC.

A heavy revenue contributor has been *All in the Family,* the Tandem Production that Viacom has rights to distribute. Viacom has claimed $87 million in gross sales for 207 episodes and claims it is the highest bulk amount for a comedy series.

For pay-cable programing, there's Showtime, started by Viacom but as of Jan. 1, 1979, a joint venture between Viacom and Teleprompter Corp. Teleprompter purchased a 50% interest for $3 million (which can be raised as high as $5 million depending on subscriber levels within three years).

Viacom-owned cable systems serve about 400,000 basic subscribers.

19

Warner Communications Inc. □ *Stephen J. Ross, chairman and chief executive officer; Jay Emmett, Emanuel Gerard and David H. Horowitz, office of the president.*

Warner Communications Inc. says its "primary product is creativity," a commodity that has been paying off. For the four quarters through Sept. 30, 1979, WCI had revenues of $1.6 billion and net earnings of $102.9 million, up 26.2% and 29.5% respectively. Earnings per share were $5.16.

Warner Communications' chief revenue source is recorded music and music publishing but this conglomerate also engages in film and television distribution; sales of motion-picture camera equipment; book and magazine publishing and distribution; cable television; toys and electronic games, and fragrances.

On the television side, it is responsible for network series, miniseries and specials, among them: *Alice, Roots* and *The Corn is Green.* In 1979, new Warner offerings included *Dukes of Hazzard, Young Maverick* and *California Fever.* Syndication of programs and films to TV is handled by Warner Bros. Television Distribution which distributes titles ranging from *Kung Fu* to *The Waltons.*

Warner Cable Corp., the fourth largest in the country with about 575,750 subscribers and a leading multiple system operator, gave birth to the two-way Qube experiment in Columbus, Ohio, and has been working to bring it elsewhere. A Houston franchise already has been won and Warner Cable has applied to wire three New York boroughs.

American Express has signed an agreement with Warner to buy a half interest in its cable subsidiary for $175 million in cash and short term notes. The deal was officially consummated in late December.

Warner also is beefing up its pay-TV program distribution. Its Movie Channel (formerly Star Channel) has about 175,000 subscribers, mostly in Warner systems. Warner has formed a new subsidiary which is aiming at boosting Movie Channel sales outside its own systems, as well as starting new services.

32

The Washington Post Co. □ *Katharine Graham, chairman and chief executive; Mark J. Meagher, president and chief operating officer.*

Revenues for the Washington Post Co. in the last year leaped nearly 40%, while income increase was held to only 2.6%. Earnings per share were $3.01.

Accounting for the disparity between the large revenue jump and the small climb in profits were the costs of a test issue of a new magazine, *Inside Sports,* and other increased publishing expenses. Also, in the previous year, profits were boosted with the $4.3 million sale

of the Post's WTOP(AM) Washington. But the Post's remaining broadcast operation, four VHF television stations—WDIV Detroit, WPLG Miami, WFSB-TV Hartford, Conn., and WJXT Jacksonville, Fla., reported continued increased sales and profits for the year.

The Post's publishing businesses—principally *The Washington Post, The Trenton* (N.J.) *Times, The Everette* (Wash.) *Herald* and *Newsweek* magazine—are the company's principal revenue producers.

33

Western Union Corp. □ *Robert M. Flanagan, chairman and chief executive officer; Earl D. Hilburn, president.*

Although Western Union comprises several subsidiaries, by far the most important in terms of services and revenues is the Western Union Telegraph Co. In its 129th year, the telegraph company provides a variety of communication services for both the business and consumer markets. Those services include teletypewriter (Telex and TWX), Mailgrams, telegrams, money orders and leased communications systems for transmission of data, facsimile and radio and television signals.

Revenues for the year rose 14.1% over the previous one, from $608,769,000 to $694,729,000, but earnings were off 81.9% due to a "write down" of over $20 million in the quarter ending September 1979 following the dissolution of Telegraph Data Services subsidiary. Reported earnings for the year were $10,029,000 or $.06 per share as compared to $56,688,000 or $2.56 per share a year earlier.

A growing portion of all of the corporation's communications traffic is moving through its growing Westar satellite system. Westar III was launched in August to complement Westar I and II. And plans call for the launch of Westar IV in late 1981 or early 1982 and an "Advanced Westar" sometime in 1983. To help finance the satellite growth, Western Union has agreed to share its Westar system and Advanced Westar with Continental Telephone, Atlanta, and Fairchild Industries, Germantown, Md., in exchange for as much as $100 million in cash (BROADCASTING, Nov. 5, 1979).

4

Westinghouse Electric Corp. □ *Robert E. Kirby, chairman; Donald H. McGannon, chairman, Westinghouse Broadcasting Co.; Daniel L. Ritchie, president and chief executive officer, Westinghouse Broadcasting.*

The twelve months ending in September saw a substantial earnings decline at Westinghouse, due to hefty out-of-court settlements of litigation in which utility companies charged Westinghouse with failure to fulfill uranium supply contracts. The settlements are counted against earnings as extraordinary losses. Earnings dropped 48.5% to $118,100,000 from $229,438,000, while revenues over the period were up 8.1% to $7,074,200,000 from $6,543,464,000. Earnings per share were down 17% to $1.36.

Westinghouse Electric Corp. is an industrial giant that in one sense just happens to own one of the more prestigious broadcasting outfits, Westinghouse Broadcasting Co. The five major market television and seven radio stations that make up the group along with Group W Productions and some cable systems are dwarfed by the vast bulk of the multi-billion dollar parent corporation. Westinghouse operations are divided among four companies: Industry Products Company, Power Systems Company, Public Systems Company and the broadcasting wing. The products of the three manufacturing units range from nuclear power plants to Longines-Wittnauer watches, and from airport people movers to transport refrigeration units.

The broadcast stations currently owned by Westinghouse are WJZ-TV Baltimore; WBZ-AM-FM-TV Boston; WIND(AM) Chicago, WOWO(AM) Fort Wayne, Ind.; KFWB(AM) Los Angeles, WINS(AM) New York; KYW-AM-TV Philadelphia; KDKA-AM-FM-TV Pittsburgh and KPIX(TV) San Francisco. In addition, during 1979 Westinghouse agreed to pay Ted Turner $20 million for his WRET-TV Charlotte, N.C. (then the highest price ever paid for a single UHF), to pay Taft Broadcasting $6.1 million for KODA-FM Houston (less the $1.1 million Taft is getting for the AM twin, plus $700,000 for a consultancy agreement for Paul Taft), and give Metroplex Communications of Texas $7 million for KOAX(FM) Dallas. All three actions are pending before the FCC.

The eight Westinghouse cable systems serve 60,000 subscribers in communities in Florida, Georgia and New York.

Group W Productions' output includes *The Mike Douglas Show*, billed as the longest running and most successful daytime talk/variety show in syndication, and the critically acclaimed *PM Magazine*. The unit is now headquartered in Los Angeles.

52

Wometco Enterprises □ *Mitchell Wolfson, chairman and president.*

The newest of Wometco's major operating divisions, subscription TV/cable television includes 27 systems serving 80 communities and Wometco Home Theatre (over-the-air subscription television). As of Sept. 20, Wometco's cable subscribers totaled 95,000 and its pay cable-TV subscribers totaled some 41,000.

The STV service is offered on the Wometco-owned WWHT Newark, N.J. and during 1979 arrangements were made for the service to be offered in 1980 on stations in the Baltimore and Philadelphia areas (BROADCASTING, April 30, 1979, et seq.). Wometco also hopes to have its services utilized in San Francisco and Chicago by companies seeking TV facilities there.

In Wometco's broadcasting division are WTVJ(TV) Miami; WLOS-FM-TV Asheville, N.C.-Greenville and Spartanburg, S.C.; WZZM-TV Grand Rapids-Muskegon-Kalamazoo, Mich.; KVOS-TV Bellingham, Wash., and WWHT, which the company describes as the home of its over-the-air pay-TV service (WHT).

Wometco's soft-drink bottling division includes operations as one of the nation's largest publicly owned Coca-Cola bottlers as well as franchises for Seven-Up, Dr. Pepper, Schweppes, Canada Dry and some private labels.

The vending division provides vending and food services in nine states, the District of Columbia, Puerto Rico and the Bahamas.

Wometco's entertainment division is split into two parts. One part has motion-picture theaters in Florida, Alaska, Puerto Rico, the Dominican Republic, the Bahamas and the Virgin Islands. Additionally, there is a 50% interest in ADWO, a major independent film distribution company in Central and South America. The other part of the entertainment division is tourist attractions with three operations in Florida and a wax museum in Tokyo.

In the 52 weeks that ended Sept. 9, 1979, Wometco had net earnings of $19,060,000 on revenues of $297,874,000. In the preceding 52 weeks, there were net earnings of $16,641,000 on revenues of $261,706,000.

88

Wrather Corp. □ *Jack Wrather, chairman and president.*

Wrather's film operations—which include distribution of syndicated television series *Lassie, The Lone Ranger* and *Sargeant Preston of the Yukon*—account for approximately 11% of the corporation's total revenues. Wrather also owns approximately 10% of Teleprompter Corp., the New York-based cable television company.

In January the company formed Wrather Entertainment International to produce new theatrical as well as television products. The company has reached an agreement with Home Box Office Inc. to run its 1978 production, "The Magic of Lassie," on the pay-cable network, and will begin production in February of a new "Lone Ranger" feature in association with ATV/ITV Entertainment of Great Britain.

The company's principal area of business (approximately 86% of total revenues), however, is its hotel division, which operates the 500-room Inn at the Park and the 1,400-room Disneyland hotel, both in Anaheim, Calif.

Major expansion of the Disneyland hotel and the company's production of the "Lassie" film contributed to losses incurred during the fourth quarter of 1978 and the first of 1979. For the quarters ending Sept. 30, Wrather had revenues of approximately $49 million but logged an operating loss of just over $1 million.

The corporation also has extensive oil and gas exploration interests in Texas and Louisiana.

23

Zenith Corp. □ *Joseph S. Wright, chairman and chief executive; R.W. Kluckman, president.*

Zenith Corp. seems to be rebounding slightly from four or five years of what the company called "very disappointing" financial returns. Revenues were up 6.5% from $967 million in 1978 to $1,030,600,000, in the year ended Sept. 30, 1979. Net earnings were up 14.6% from $18.4 million in 1978 to $21.1 million in 1979. Although profits are down from the early 1970's, Zenith still retains its position as the number-one producer of television sets in the United States.

In the first quarter of this year, John Nevin, the company's then chairman, restated the company's position that the declining performance of Zenith and the domestic television set-manufacturing industry as a whole is due in large part to the continued "dumping" of Japanese made television receivers into the U.S. domestic market, and the failure of the Federal government to enforce effectively the current trade laws prohibiting such practices.

Zenith introduced several new products in 1979. The new "Video Director," a video cassette recorder which has up to five hours of recording/playback time, was introduced last summer. Another new Zenith product on the market this year is a microprocessor based remote control tuning system that selects any UHF, VHF, mid- or super-band cable TV channel.

Zenith is also breaking into the STV and cable-decoder manufacturing markets. A contract has been negotiated with Time-Life subsidiary American Television & Communications to produce STV decoders, with delivery to begin next spring.

The major acquisition of the year for Zenith was the purchase of Heath Business from Schlumberger Ltd. for $64.5 million. Heath is a leading manufacturer and marketer of "build it yourself" electronics kits. It has also begun marketing pre-assembled small computer systems, video display and terminal equipment for use in small businesses and homes. Heath's sales for each of the last three years have topped $80 million. The purchase reflects a growing interest on the part of Zenith in consumer electronics outside the broadcasting field.

Summary of broadcasting

FCC tabulations as of Nov. 30, 1979

	Licensed	On air - STA*	CP's on air	Total on air	CP's not on air	Total authorized**
Commercial AM	4526	3	25	4554	93	4647
Commercial FM	3104	2	49	3155	167	3322
Educational FM	1012	0	27	1039	86	1125
Total Radio	8642	5	101	8748	346	9094
Commercial TV						
VHF	514	1	2	517	8	525
UHF	220	0	4	224	62	286
Educational TV						
VHF	99	1	5	105	5	110
UHF	154	2	6	162	4	166
Total TV	987	4	17	1008	79	1087
FM Translators	276	0	0	276	154	430
TV Translators						
UHF	1219	0	0	1219	381	1600
VHF	2461	0	0	2461	215	2676

*Special temporary authorization

**Includes off-air licenses

Call Letters

Applications

Call	Sought by
	New AM's
KAPZ	John Paul Capps, Bald Knob, Ark.
KMKR	White River Bdcg. Co., Meeker, Colo.
WMUF	J. Star Bdcg Co. Paris, Tenn.
	New FM's
KAHM	Southwest FM Bdcg Co. Inc., Prescott, Ariz.
KPOY	Sudbrink Bdcg Co. of Hawaii, Lihue, Hawaii.
*KUNV	Univ. of Nevada Bd. of Regents, Las Vegas, Nev.
WDST	Woodstock Communications Inc., Woodstock, N.Y.
KQFO	Tilco Bdcg Inc., Frederick, Okla.
*KLPB	Lousiana Educational TV Authority, Lafayette, La.
	New TV's
KSJN	WRRD Minneapolis, Minn.
WFEZ	WTNK Meridian, Miss.
KLAY	KQLA Lakewood, Wash.
	Existing AM's
WKYD	WQHQ Andalusia, Ala.
KMJX	KKLF Conway, Ark.
KFXE	KOTN-FM Pine Bluff, Ark.
WIZD	WLQY Fort Pierce, Fla.
KKRG	KICG Iowa City, Iowa.
WCKQ	WTCO-FM Campbellsville, Ky.
WBSB	WITH Baltimore, Md.
WFXZ	WBUF Buffalo, N.Y.
WKSB	WRAK-FM Williamsport, Pa.

Grants

Call	Assigned to
	New AM's
WSLK	Ayers Shortt Sales, Inc., Hayden, Ky.
KKAQ	Olmsted and Ives Bdcg, Thief River Falls, Minn.
	New FM's
*KHNS	Lynn Canal Bdcg, Haines, Alaska.
KVOM-FM	Morilton Bdcg Co., Morilton, Ark.
KOSG	Osage Bdcg. Co., Osage, Iowa.
KRCO-FM	High Lakes Bdcg Co., Prineville, Ore.
KWDX	Jewell P. White, Silsbee, Tex.
	New TV's
WTSF	Tri-State Family TV, Inc., Ashland, Ky.
	Existing AM's
WKYZ	WALY Herkimer, N.Y.
WEYZ	WWGO Erie, Pa.
KQTI	KWBY Edna, Tex.

Other

■ FCC today approved publication of report on minority ownership of broadcast facilities compiled by Equal Employment Opportunity—Minority Enterprise Division of the FCC's Office of Public Affairs. The 64-page booklet includes model financing proposal to be used by minority entrepreneurs wanting to purchase broadcast properties. For additional information contact Ed Cardona at (202) 634-1770. Action Dec. 15.

■ FCC has proposed one-year pilot program of reimbursement to individual consumers, groups and small businesses for expenses incurred in participation in FCC rulemakings if funding for such program is provided by Congress. For further information contact Randolph May, (202) 632-6444, or Erika Jones, (202) 632-7000. Action Dec. 15.

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